

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Leviathan Cannabis Group Inc. (the “Issuer” or “Leviathan”)
250 The Esplanade
Suite 116
Toronto, Ontario
M5H 4J6

Item 2 Date of Material Change

June 18, 2018

Item 3 News Release

The news release attached hereto as Schedule “A” announcing the material change described herein was disseminated on June 18, 2018 and filed on SEDAR.

Item 4 Summary of Material Change

Leviathan announced the appointment of Jayne Beckwith as Interim Chief Financial Officer of the Company, filling the vacancy created by the resignation of Chris Carmichael as Chief Financial Officer effective June 14, 2018.

Item 5 Full Description of Material Change

Leviathan announced the appointment of Jayne Beckwith as Interim Chief Financial Officer of the Company, filling the vacancy created by the resignation of Chris Carmichael as Chief Financial Officer effective June 14, 2018.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

The Issuer is not relying on sub-section 7.1 (2) of National Instrument 51-102 or the equivalent provisions of the securities legislation in other jurisdictions governing the Issuer for the filing of this report.

Item 7 Omitted Information

No information has been omitted from this report on the basis that is confidential information.

Item 8 Executive Officer

For further information, please contact Martin Doane, Chief Executive Officer, at (416) 903-6691.

Item 9 Date of Report

Dated at Toronto, Ontario this 18th day of June, 2018.



Leviathan Cannabis Completes The Woodstock Biomed Inc. Acquisition And Announces The Appointment Of Jayne Beckwith As Its New Interim CFO

TORONTO, ONTARIO --- (Newsfile Corp. – June 18, 2018) - **Leviathan Cannabis Group Inc.** (CSE: EPIC) (the "Company" or "Leviathan") is pleased to announce that it has completed the acquisition of all issued and outstanding shares of Woodstock Biomed Inc. ("Woodstock").

Woodstock owns a late-stage ACMPR greenhouse production complex in Pelham, Ontario (the "Property"). The Property features a 350,000 sq. ft. facility, which **Leviathan** will transform into a state-of-the-art cannabis cultivation centre. Conversion construction on the first phase, which includes 164,000 sq. ft. is currently in progress. In this first phase of operations, Health Canada has approved a total annual production capacity of 20,000 kg.

The total transaction value is \$15,750,000, paid by \$750,000 in cash and the remainder in **Leviathan** common shares, as further described in the Company's press release dated May 24, 2018. In addition, at the closing of the Transaction, Leviathan advanced \$1,250,000 as a loan to Woodstock used to pay existing liabilities other than mortgages on the Property.

"I am tremendously excited to be part of the **Leviathan** family" stated Renny Bidinot, CEO Woodstock Biomed. "Woodstock is ideally suited to be a top-tier cannabis cultivation centre and greatly enhances **Leviathan's** strategic goal of being a leader in the cannabis sector."

Leviathan is also pleased to announce that Jayne Beckwith has been appointed as Interim Chief Financial Officer of the Company, filling the vacancy created by the resignation of Chris Carmichael as Chief Financial Officer effective June 14, 2018.

The **Leviathan** Board of Directors wishes to express its gratitude to Mr. Carmichael for his commitment and service to the Company.

About Leviathan Cannabis

Leviathan plans on executing a series of strategic acquisitions that extend across all vertical markets both here in Canada and internationally, to support the Company's proprietary brand strategy. This global reach positions the Company to be a leading multi-jurisdictional medical and recreational cannabis enterprise – one that brings together the best cannabis products, brands and expertise from Canada and around the world. In addition to the acquisition of **Woodstock Biomed Inc.**, the **Leviathan** portfolio includes **Jekyll+Hyde Brand Builders Inc.**, a cannabis focused, marketing services agency and the Company's fully owned subsidiary.

Please visit www.LeviathanCannabis.com



For more information, contact Rick Rogers, Chairman, **Leviathan Cannabis Group Inc.** at 416.303.9060 or Jayne Beckwith, Interim CFO **Leviathan Cannabis Group Inc.** at 416.806.0591.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:

Certain information in this press release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend", "plan" or negatives of these terms and similar expressions. Forward-looking statements in this news release include, but are not limited to, statements with respect to anticipated revenue, statements with respect to internal expectations, expectations for future growing capacity and costs, the completion of any capital projects or expansions, the successful application to be a licensed cannabis producer under the ACMPR, the successful application to be a licensed cannabis seller under the ACMPR and successful acquisitions both in Canada and internationally.

Forward-looking statements are based on certain assumptions regarding Woodstock, including successful application to be a licensed cannabis producer and seller, expected growth, results from operations, performance, industry trends and growth opportunities. While Leviathan considers these assumptions to be reasonable, based on information currently available, they are inherently subject to significant business, economic and competitive uncertainties and contingencies and they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements.

Forward-looking statements also necessarily involve known and unknown risks, including without limitation, risks associated with general economic conditions, adverse industry events, marketing costs, loss of markets, future legislative and regulatory developments, the inability to access sufficient capital on favourable terms, the medical and recreational cannabis industry in Canada in general, income tax and regulatory matters, the ability of Leviathan to execute its business strategies, competition, crop failure, currency and interest rate fluctuations and other risks.

Any forward-looking statements or facts (including financial information) related to Woodstock discussed or disclosed herein are derived from information obtained directly from Woodstock and publicly available sources and has not been independently verified by Leviathan. Readers are cautioned that the foregoing is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ from those anticipated. Forward-looking statements are not guarantees of future



performance. Except as required by law, Leviathan disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Source: Leviathan Cannabis Group Inc.

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.