

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

Golden Leaf Holdings Ltd. (“GLH” or the “Company”)  
Suite 1000, 36 Toronto St.  
Toronto, ON  
M5C 2C5

**Item 2 Date of Material Change**

July 10, 2017

**Item 3 News Release**

On July 10, 2017, a news release in respect of the material change was disseminated by the Company through Marketwired and subsequently filed on the Company’s SEDAR profile.

**Item 4 Summary of Material Change**

On July 10, 2017, the Company announced that it entered into definitive agreements in connection with and closed its previously announced acquisition (the “Acquisition”) of the business of Chalice LLC (“Chalice Farms”), a leading vertically integrated cannabis company in Oregon.

**Item 5 Full Description of Material Change**

On July 10, 2017, the Company announced that it entered into definitive agreements in connection with and closed its previously announced Acquisition of the business of Chalice Farms, a leading vertically integrated cannabis company in Oregon.

Pursuant to the Acquisition, GLH acquired all of the issued and outstanding membership interests of CFA Retail, LLC and all of the assets of CFA Productions, LLC, each a wholly-owned subsidiary of Chalice Farms. In connection with the Acquisition, the vendors received consideration from GLH comprised of, (i) US\$19.25 million in cash and (ii) 83,418,687 common shares of the Company (“Common Shares”). In addition, Chalice Farms will also receive an amount equal to 1.25 times the revenues of the businesses being acquired for the year-ended December 31, 2017 payable in cash or Common Shares, subject to an obligation to pay in cash in certain circumstances. Following completion of the Acquisition, the former owners of Chalice Farms collectively own approximately 28% of the outstanding Common Shares of the Company. In connection with the closing of the Acquisition, William Simpson of Chalice Farms has also been appointed President of GLH.

AC Group Financial Inc. is acting as an advisor to the Company in connection with the Acquisition and the three other previously announced acquisitions being undertaken by the Company.

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

N/A

**Item 7 Omitted Information**

N/A

**Item 8 Executive Officer**

The following executive officer is knowledgeable about the material changes and may be contacted about this report:

Donald M. Robinson  
Chief Executive Officer  
Golding Leaf Holdings Ltd.  
Tel: 503-388-7693

**Item 9 Date of Report**

July 18, 2017