

**FORM 51-102F3
Material Change Report**

Item 1 **Reporting Issuer**

Golden Leaf Holdings Ltd. (the 'Company')
82 Richmond Street East
Toronto
Ontario M5C 1P1

Item 2 **Date of Material Change**

August 23rd, 2019

Item 3 **Press Release**

On August 23rd, 2019, a news release in respect of the material change was disseminated and filed on the Company's SEDAR profile.

Item 4 **Summary of Material Change**

Golden Leaf Holdings Announces Completion of Debenture Payments

Item 5 **Full Description of Material Change**

A full description of the material change is included in the news release attached hereto as Schedule A.

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

The report is not being filed on a confidential basis.

Item 7 **Omitted Information**

No information has been omitted.

Item 8 **Executive Officer**

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

John Varghese
Executive Chairman
Golden Leaf Holdings Ltd.
971-371-2685
e-mail: ir@goldenxtrx.com

Item 9 **Date of Report**

September 3rd, 2019



Golden Leaf Holdings Announces Completion of Debenture Payments

Toronto, Ontario – August 23, 2019 – [Golden Leaf Holdings Ltd.](#) (“Golden Leaf” or the “Company”) (CSE:GLH) (OTCQB:GLDFF), a pioneer cannabis oil solutions company and dispensary operator built around recognized brands, has announced the completion of the debenture payments.

On July 2, 2019, the Company issued 4,848,464 common shares at C\$0.0782 to pay interest on the debentures for a total of C\$379,150.

On August 21, 2019, as disclosed, with greater than 98 percent support, the debenture holders approved the repayment of the principal amount of the convertible debentures of C\$12,961,000 and accrued interest of C\$190,815, via an early conversion today, August 23, 2019 at C\$0.06. The Company issued 219,069,556 common shares to repay the principal and accrued interest. The original maturity date of these debentures was November 2, 2019.

In July 2019, the Company reached an agreement in principle to extend the due date for the \$9,527,350 earn-out payment due to Chalice LLC and its members. This agreement was conditional on early settlement of the convertible debentures. As the debenture holders agreed to accelerate the settlement of the debentures, the agreement to extend the Chalice LLC earn-out payment from November 2, 2019 to May 2, 2022 became effective. The principal amount of the earn-out payment due to Chalice LLC and its members is \$9,527,350, of which \$5,000,000 is payable in cash and \$4,527,350 is payable in the company’s common shares.

About Golden Leaf Holdings

Golden Leaf Holdings Ltd., a Canadian company with operations in multiple jurisdictions including Oregon, Nevada and Canada, is one of the largest cannabis oil and solution providers in North America, and a pioneer cannabis products company built around recognized brands. Golden Leaf cultivates, extracts, manufactures and distributes its products through its branded Chalice Farm retail dispensaries, as well as through third party dispensaries. Golden Leaf leverages a strong management team with cannabis and food industry experience to complement its expertise in extracting, refining and selling cannabis oil. Visit goldenleafholdings.com to learn more.

Company:

John Varghese
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Disclaimer: This press release contains “forward-looking information” within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company’s future business operations, the opinions or beliefs of management and future business goals. Generally, forward looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. These risks include but are not limited to general business, economic and competitive uncertainties, regulatory risks, market risks, risks inherent in manufacturing and retail operations such as unforeseen costs and production shutdowns, difficulties in maintaining brand loyalty, and other risks of the cannabis industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking information. Forward-looking information is provided herein for the purpose of presenting information about management’s current expectations relating to the future and readers are cautioned that such information may not be appropriate for other purpose. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. This press release does not constitute an offer of securities for sale in the United States, and such securities may not be offered or sold in the United States absent registration or an exemption from registration or an exemption from registration.