

FORM 51-102F3
Material Change Report

MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF
NATIONAL INSTRUMENT NO. 51-102

Item 1. **Reporting Issuer**

Golden Leaf Holdings Ltd. (the “**Company**”)
82 Richmond Street East
Toronto, Ontario
M5C 1P1

Item 2. **Date of Material Change**

A material change took place on December 23, 2019.

Item 3. **Press Release**

On December 23, 2019, a news release in respect of the material change was disseminated by the Company.

Item 4. **Summary of Material Change**

The Company announced that it had obtained sufficient support to amend to permit to pay its December 31, 2019 interest obligation to its unsecured convertible debentures (the “**Debentures**”) of the Company issued pursuant to an indenture dated as of November 18, 2018 (the “**Indenture**”) by issuing common shares of the Company.

Item 5. **Full Description of Material Change**

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated by reference herein.

The Company announced that the holders of the Debentures have approved a written extraordinary resolution under the terms of the Indenture to permit the Company to pay its December 31, 2019 interest obligation on the Debenture by issuing common shares of the Company at a price of \$0.03 per share.

The Company paid such interest amount in common shares, with a total of 38,218,946 shares of the Company to be issued, resulting in cash savings to the Company equal to CAD \$1,146,568.

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

Kate Koustareva

Item 9.

Date of Report

DATED at Toronto, in the Province of Ontario, this 8th day of January, 2020.

SCHEDULE “A”



Holders of Debentures Approve Payment of Interest in Shares

TORONTO, Dec. 23, 2019 – Golden Leaf Holdings Ltd. (“GLH” or the “Company”) (CSE:GLH) (OTCQB:GLDFF), a pioneering cannabis company with cultivation, production and retail operations built around recognized brands, announces that the holders (the “Debentureholders”) of unsecured convertible debentures (the “Debentures”) of the Company issued pursuant to an indenture dated as of November 18, 2018 (as the same has otherwise been amended or may be amended, modified, restated, supplemented or replaced from time to time, the “Indenture”) have approved a written extraordinary resolution under the terms of the Indenture to permit the Company to pay its December 31, 2019 interest obligation on the Debentures by issuing common shares of the Company at a price of \$0.03 per share. The Company intends to elect to pay such interest amount in common shares, with a total of 38,218,946 of the Company to be issued, resulting in cash savings to the Company equal to CND \$1,146,568.

About Golden Leaf Holdings

Golden Leaf Holdings Ltd. is a Canadian company with operations in multiple jurisdictions including Oregon, Nevada, and Canada, with cultivation, production and retail operations built around recognized brands. Golden Leaf distributes its products through its branded Chalice Farms retail dispensaries, as well as through third-party dispensaries. Golden Leaf’s cannabis retail operations and products are designed with the customer in mind, focused on superlative in-store experience and quality products. Visit goldenleafholdings.com to learn more.

Company:

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