

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

**Item 1            Name and Address of Company**

Chalice Brands Ltd. (formerly Golden Leaf Holdings Ltd.) (the "**Company**")  
82 Richmond Street East  
Toronto, Ontario  
M5C 1P1

**Item 2            Date of Material Change**

May 19, 2021

**Item 3            News Release**

A news release with respect to the material change referred to in this report was disseminated through Globe Newswire on May 19, 2021 and subsequently filed on SEDAR.

**Item 4            Summary of Material Change**

On May 19, 2021, the Company announced the signing of a definitive agreement and concurrent closing of the purchase of 100% ownership in SMS Ventures, LLC, dba Homegrown Oregon ("Homegrown"), a chain of five retail dispensaries located in Portland, Salem and Albany, Oregon, for total consideration of approximately US\$9.75 million.

**Item 5            Full Description of Material Change**

On May 19, 2021, the Company announced the signing of a definitive agreement and concurrent closing of the purchase of 100% ownership in SMS Ventures, LLC, dba Homegrown Oregon ("Homegrown"), a chain of five retail dispensaries located in Portland, Salem and Albany, Oregon, for total consideration of approximately US\$9.75 million, consisting of a US\$6 million cash payment at closing, approximately 37 million common shares of the Company priced at a price of C\$0.065 (pre-share consolidation), plus a secured promissory note for US\$1.75 million carrying interest of 8% interest, payable over 48 months with interest only for the first year, with monthly principal payments to start upon the one-year anniversary of closing. Certain additional amounts may be due based on the market price of the Company's common shares.

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

Not applicable.

**Item 7            Omitted Information**

Not applicable.

**Item 8            Executive Officer**

Andrew Marchington, Chief Financial Officer; Tel: 971-269-6092

**Item 9            Date of Report**

May 25, 2021

**GOLDEN LEAF HOLDINGS LTD.**

By: *Signed* "Andrew Marchington"  
Andrew Marchington  
Chief Financial Officer