

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

Item 1 Name and Address of Company

LEEF Brands Inc. (the "**Company**")
Suite 1500, 1055 West Georgia St.
Vancouver, BC V6E 4N7

Item 2 Date of Material Change

May 6, 2024

Item 3 News Release

A news release dated May 6, 2024 was issued by the Company through the facilities of Cision Newswire and was subsequently filed on the System for Electronic Document Analysis and Retrieval+ at www.sedarplus.ca under the Company's profile.

Item 4 Summary of Material Change

The Company agreed to settle for equity a portion of its outstanding 11% convertible debentures due September 2024 (each, a "**Debenture**") into units of the Company (each, a "**Unit**"), each Unit being comprised of one Common share of the Company and one Common share purchase warrant exercisable at a price of C\$0.15 per Common share until April 19, 2026, and extended the maturity on the remaining balance of its outstanding Debentures until September 2027.

Item 5 Full Description of Material Change

Item 5.1 Full Description of Material Change

On May 6, 2024, the Company announced that an aggregate principal amount of approximately US\$3,954,000 (plus accrued and unpaid interest thereon) of Debentures will be settled for an aggregate of 224,045,353 Units at a conversion price of C\$0.029 per Unit. The Debentures were issued with one tranche denominated in Canadian dollars pursuant to the terms of a convertible debenture indenture between the Company and Odyssey Trust Company, as trustee and collateral agent, dated as of September 8, 2022 (as supplemented on May 2, 2024) and the other tranche denominated in U.S. dollars pursuant to the terms of a convertible debenture indenture between the Company and Odyssey Trust Company, as trustee and collateral agent, dated as of September 9, 2022 (as supplemented on April 19, 2024). Amounts converted from one currency to the other for the purpose of this material change report were converted based on the average daily exchange rate published by the Bank of Canada for April 18, 2024.

The remaining outstanding balance of Debentures of approximately US\$7,995,000 has been extended to mature in September 2027 and will continue to accrue interest at a rate of 11% per annum.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Kevin Wilson
Chief Financial Officer
Tel: 416-797-6455
Email: kevin@leefca.com

Item 9 Date of Report

May 15, 2024