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NEWS RELEASE

LEO RESOURCES PROVIDES UPDATE ON LOI - GREEN LIFE CLINICS ACQUIRES PATIENT ACCESS PAVILIONS

May 16, 2017 –Leo Resources Inc. (LEO:CSE; FSE: L001) (“Leo” or the “Company”) Further to the news release dated May 9, 2017 which respect to Leo entering into a non-binding letter of intent (the “LOI”) with Green Life Clinics Inc., (“GLC”), Leo is pleased to announce that GLC has entered into a non-binding agreement to acquire Patient Access Pavilions Ltd. (“PAP”) which is a marketing technology company used to verify, sort, and compile possible ACMPR patients.

About PAP

PAP works by sorting/recording patient’s identification and contact information after verifying an opt-in process, allowing for a gateway between health service providers and possible ACMPR patients. PAP has proprietary software which is used to store, transmit, and sort data of incoming patients based on location, ailment, and preferred contact method.

PAP is current placed in areas of high interest to cannabis users and people with health ailments that match Health Canada's ailment list for ACMPR patients. PAP looks to further expand its patient outreach by adding a variety of health clinics, as patient outreach hubs such as physiotherapist, massage clinics, and pharmacies. Currently PAP is in multiple locations across Canada. Each locations generates approximately 80 leads per day. It is expected once the PAP is installed in target locations it will produce up to 3,000 ACMPR leads per day or 90,000 per month.

PAP’s model is highly adaptable and scalable to be built around legislative framework, allowing for possible lead generation of the recreational market. PAP could be placed in a wide variety of areas of high foot traffic not directly affiliated with cannabis.

About GLC

GLC is incorporated under the laws of the Province of British Columbia which has entered into an LOI to acquire a private company which operates clinics and pavilions in the western provinces. GLC gathers information/leads by placing interactive lead generation pavilions in areas of high interest to cannabis users and health related clinics/offices. GLC then takes these interested parties to its affiliate clinic network assisting the parties in navigating through and accessing Canada's legal medical marijuana program by assisting in determining eligibility, completing medical forms, providing physician consultations and referring parties to appropriate licensed producers. GLC currently has 6 Clinics in its corporate network.

GLC is a business built around today's quickly changing legislative framework. It allows for the retention of not only medical users but also the recreational user base, when available, with its lead generation tools. It will allow for strong patients and consumer outreach to all consumers of cannabis making it appealing to future partners and licensed producers.

Transaction

Pursuant to the terms of the LOI previously announced on May 9, 2017, Leo would acquire 100 per cent of the issued and outstanding securities of GLC in consideration of the payment of an aggregate \$5,000,000 in cash and issuance of 25 million common shares of the Company to the shareholders GLC. The terms of the Transaction remain unchanged. GLC will acquire PAP in consideration of the payment of an aggregate of \$2.0 million in cash and the issuance of 5.0 million common shares, which shares will ultimately be acquired by Leo pursuant to the Transaction.

Financing

As previously announced, the Transaction is subject to the Company completing an equity financing (the “**Financing**”) by way of a non-brokered private placement of units (the “**Units**”) to raise aggregate gross proceeds of \$10-million at an intended price of 50 cents per Unit. The Company will also have an over-allotment option to place up to an additional 50% of the Financing. Each Unit will consist of one common share and one-half of one common share purchase warrant. Each full warrant will entitle the holder to purchase an additional common share at the price of 85 cents per share for a period of 12 months from the closing of the Transaction. In the event that Company's share prices closes at a price of \$1.40 per share for a period of 10 consecutive trading dates, the Company will have the option to provide notice to the warrant holders in writing or through press release to accelerate the term of the warrants to a period of 30 days following such notice. The financing may be offered pursuant to exemptions available under British Columbia Instrument 45-536. The Company may pay finders' fees in connection with the Financing. The net proceeds from the Financing will be used for the development of the business, potential acquisitions, and general working capital purposes.

Conditions of the Transaction

The Transaction proposed transaction pursuant to which GLC is expected to acquire Leo Resources Inc. by way of reverse takeover for a combination of cash and share consideration. The final structure of the Transaction has not yet been finalized and will be determined following receipt of tax, corporate and securities law advice for both Leo and GLC. Upon completion of the acquisition, the combined entity will continue to carry on the business of GLC.

The transaction is subject to a number of conditions precedent, including, among other things, the negotiation and execution of a definitive agreement, due diligence, and receipt of all applicable regulatory approvals. Unless all of such conditions are satisfied or waived, to the extent they are capable of waiver, the Transaction will not proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all.

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“Sam Chaudhry”

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Certain statements included in this press release constitute forward-looking information or statements (collectively, “forward-looking statements”), including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “may”, “should” and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This press release contains forward looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Statements about the closing of the Transaction, expected terms of the Transaction, the number of securities of the Company that may be issued in connection with the Transaction, the ownership of the Company, the terms of and the completion of the Concurrent Financing, and the parties’ ability to satisfy any and all other closing conditions, and receive necessary regulatory and CSE approvals in connection therewith, are all forward-looking information, as are statements regarding the business of PAP and GLC, their expected success, revenues, scalability and growth rates.

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Factors that could cause the actual results to differ materially from those in forward-looking statements include failure to obtain regulatory approval, the continued availability of capital and financing, and general economic, market or business conditions. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management’s reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company’s forward-looking statements.

Neither the Canadian Securities Exchange (the “CSE”) nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.