

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

**Item 1            Name and Address of Company**

Leo Resources Inc. (the “Company”)  
800-1199 West Hastings Street  
Vancouver, B.C. V6E 3T5

**Item 2            Date of Material Change**

July 3, 2018

**Item 3            News Release**

A news release was disseminated on July 4, 2018 through the facilities of Stockwatch.

**Item 4            Summary of Material Change**

The Company has entered into an amendment agreement dated July 3, 2018 to the previously entered into amalgamation agreement dated July 5, 2017 pursuant to which the Company will acquire all of the issued and outstanding securities of Green Life Clinics Ltd. (“GLC”).

**Item 5            Full Description of Material Change**

The Company has entered into an amendment agreement July 3, 2018 (the “Amendment Agreement”) with GLC and the Company’s wholly owned subsidiary 1125076 B.C. Ltd.

Pursuant to the Amendment Agreement, GLC has completed certain capital adjustments to its existing share structure resulting in the reduction of the number of shares currently issued and outstanding to 18,600,000 shares, of which there are 4,000,000 Class A shares outstanding, 9,600,000 Class B shares outstanding and, following the acquisition of Patient Access Pavilions Ltd. (“PAP”), 5,000,000 Class C shares outstanding. The Class B shareholders of GLC also contributed \$2,000,000 in cash to GLC, with the result that GLC, following the acquisition of PAP, has an approximate working capital of \$2.2 million, which will be acquired by the Company in addition to its existing working capital.

The Company will complete a three-corner amalgamation (the “Amalgamation”) with GLC and a wholly owned subsidiary of the Company. Under the Amalgamation, the shareholders of GLC will receive one common share of the Company for each GLC share held, resulting in the aggregate issuance of 18.6 million common shares of the Company. Under the Amendment Agreement, the holders of the Class B shares in the capital of GLC will no longer receive any cash consideration in the Amalgamation. The Company previously paid to GLC \$3,225,000 in cash which funds were utilized by GLC to repay shareholder loans incurred in relation the GLC’s acquisition of MCRCI Medicinal Cannabis Resource Centre Inc. and to complete the acquisition of PAP.

**Item 6**            **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

**Item 7**            **Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8**            **Executive Officer**

Usama Chaudhry is knowledgeable about the material change and the Report and may be contacted at (604) 283.1722.

**Item 9**            **Date of Report**

July 5, 2018