

Form 51-102F3
MATERIAL CHANGE REPORT

- Item 1. Name and Address of Reporting Issuer
- NewLeaf Brands Inc. (the “**Company**”)
Suite 810 - 789 West Pender Street
Vancouver, BC V6C 1H2
- Item 2. Date of Material Change
- April 30, 2020
- Item 3. News Release
- A news release was disseminated on April 30, 2020 through Financial Buzz and subsequently filed on SEDAR.
- Item 4. Summary of Material Changes
- The Company provides clarification to its April 30, 2020 news release signs definitive agreement to acquire Colorado based medical mushroom company: Mydecine group
- Item 5. Full Description of Material Change
- See attached news release for full description of Material Change.
- 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
- For further information, please contact:
Joshua Bartch
Chief Executive Officer
604-687-2038
josh@nabrandsinc.com
- Item 9. Date of Report
- April 30, 2020



NEWLEAF BRANDS PROVIDES CLARIFICATION TO ITS APRIL 30, 2020 NEWS RELEASE SIGNS DEFINITIVE AGREEMENT TO ACQUIRE COLORADO BASED MEDICAL MUSHROOM COMPANY: MYDECINE GROUP

Vancouver, BC, April 30, 2020 - NewLeaf Brands Inc. (CSE:NLB) (OTC: NLBIF) (FSE:0NF) (“NewLeaf Brands” or the “Company”) wishes to clarify the terms of its definitive agreement (the “Agreement”) to acquire Mydecine Group (“Mydecine”), a Colorado headquartered company, which was announced on April 30, 2020.

Mydecine is a vertically integrated company engaged to utilize the vast medicinal, health and wellness capabilities of the plethora of compounds found in various strains of mushroom and fungi as a whole. The Company, through its three wholly-owned divisions, "Mydecine Farms", "Mydecine Wellness", and "Mydecine Labs" aims to be an industry pioneer in the cultivation, processing, product development, and research and development of the many beneficial and exciting compounds that are found in various strains of mushroom and fungi from all around the world.

The Company has entered into the Agreement to acquire 100% of the issued and outstanding share capital of Mydecine, (the “Acquisition”). Pursuant to the Agreement, the Company will purchase 100% of the issued and outstanding share capital of Mydecine in exchange for 17,000,000 common shares in the capital of the Company (the “Shares”) at a deemed value of \$0.071 per Share representing, in the aggregate, 30.9% of the issued and outstanding Common Shares on a non-diluted and partially diluted basis for an aggregate gross proceeds of \$1,207,000 CAD (\$850,000 USD). The transaction won’t constitute a change of control. The Company paid a finder’s fee of 1,360,000 Shares in the capital of the Company at a deemed price of \$0.071 per share to a qualified arms’ length third party in connection with the closing of the Acquisition.

In connection, and as part of the Acquisition, 3063625 Nova Scotia Ltd. of Halifax, Nova Scotia will acquire 11,500,000 common shares at a deemed value of \$0.071 per Share of the Company (the “Common Shares”), representing, in the aggregate, 20.9% of the issued and outstanding Common Shares on a non-diluted and partially diluted basis. Prior to the Acquisition, 3063625 Nova Scotia Ltd. did not beneficially own, or exercise control or direction over, any securities of the Company. 3063625 Nova Scotia Ltd. is acquiring these securities for investment purposes and may, from time to time, acquire additional securities of the Company or dispose of such securities as 3063625 Nova Scotia Ltd. may deem appropriate.

A copy of the early warning report that will be filed by 3063625 Nova Scotia Ltd. may be obtained on the Company’s SEDAR profile or by contacting the Company.

To learn more about Mydecine please visit the company's website at mydecine.com

About NewLeaf Brands

NewLeaf Brands, Inc. is an innovative Cannabidiol (“CBD”) lifestyle Company. Through the Company’s wholly-owned subsidiaries We are Kured, LLC, Drink Fresh Water, LLC, ReLyfe Brand, LLC and TeaLief Brand, LLC the Company’s main business activities encompass the development, marketing, and distribution of CBD products (including vaporizer pens/cartridges, hot/cold tea, softgel capsules and beverages) throughout North America, South America, and Europe. In addition, NewLeaf Brands, Inc. has extensive retail and cultivation land investments in Oregon, USA.

For further information about NewLeaf Brands, please consult the Company’s profile on SEDAR at www.sedar.com or visit the Company’s website at www.NABrandsInc.com. For further information about We Are Kured, please visit their website at www.wearekured.com.

On Behalf of the Board of Directors

Joshua Bartch
Chief Executive Officer
info@nabrandsinc.com

For Further Information Contact

Corporate Communications
info@nabrandsinc.com
250-488-6728

We Are Kured Contact:

Benjamin Martch
Founder & CEO
www.wearekured.com

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.

This news release contains forward-looking statements, which relate to future events or future performance and reflect management’s current expectations and assumptions. Such forward-looking statements reflect management’s current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected including, but not limited to completion of planned improvements at both the Canadian and US sites on schedule and on budget, the availability of financing needed to complete the Company’s planned improvements on commercially reasonable terms, planned occupancy by the tenant-growers, commencement of operations, differences in yield on expected harvests, delays in obtaining statutory approval for marijuana production plans, issues that may arise throughout the grow period, outdoor crops affected by weather, the ability to mitigate the risk of loss through appropriate insurance policies, and the risks presented by federal statutes that may contradict local and state legislation respecting legalized marijuana. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required under applicable securities legislation. This news release does not constitute an offer to sell securities and the Company is not soliciting an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

This news release does not constitute an offer of securities for sale in the United States. These securities have not and will not be registered under United States Securities Act of 1933, as amended, or any state securities laws and

may not be offered or sold in the United States or to a U.S. Person unless so registered, or an exemption from registration is relied upon.



NEWLEAF BRANDS SIGNS DEFINITIVE AGREEMENT TO ACQUIRE COLORADO BASED MEDICAL MUSHROOM COMPANY: MYDECINE GROUP

Vancouver, BC, April 30, 2020 - NewLeaf Brands Inc. (CSE:NLB) (OTC: NLBIF) (FSE:ONF) (“NewLeaf Brands” or the “Company”) is pleased to announce that it has signed a definitive agreement dated April 29, 2020 (“the Agreement”) to acquire Mydecine Group (“Mydecine”), a Colorado headquartered company.

Mydecine is a vertically integrated company engaged to utilize the vast medicinal, health and wellness capabilities of the plethora of compounds found in various strains of mushroom and fungi as a whole. The Company, through its three wholly-owned divisions, "Mydecine Farms", "Mydecine Wellness", and "Mydecine Labs" aims to be an industry pioneer in the cultivation, processing, product development, and research and development of the many beneficial and exciting compounds that are found in various strains of mushroom and fungi from all around the world.

Josh Bartch, CEO of NewLeaf Brands, commented that “we can’t be more excited to close this deal with Mydecine. The medical and industrial uses of mushrooms are becoming more popular every day, and we will now be on the forefront of these evolving industries.”

Pursuant to the Agreement, the Company will purchase 100% of the issued and outstanding share capital of Mydecine in exchange for 17,000,000 common shares of NewLeaf Brands. The Company will pay a finder's fee for the transaction.

To learn more about Mydecine please visit the company's website at mydecine.com

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NewLeaf Brands, Inc. is an innovative Cannabidiol (“CBD”) lifestyle Company. Through the Company’s wholly-owned subsidiaries We are Kured, LLC, Drink Fresh Water, LLC, ReLyfe Brand, LLC and TeaLief Brand, LLC the Company’s main business activities encompass the development, marketing, and distribution of CBD products (including vaporizer pens/cartridges, hot/cold tea, softgel capsules and beverages) throughout North America, South America, and Europe. In addition, NewLeaf Brands, Inc. has extensive retail and cultivation land investments in Oregon, USA.

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This news release does not constitute an offer of securities for sale in the United States. These securities have not and will not be registered under United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold in the United States or to a U.S. Person unless so registered, or an exemption from registration is relied upon.