

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

**Item 1: Name and Address of Company**

True Leaf Medicine International Ltd. (“the **Issuer**”)  
32 – 100 Kalamalka Lake Road  
Vernon, BC V1T 9G1

**Item 2: Date of Material Change**

July 18, 2016

**Item 3: News Release**

A news release was issued and disseminated on August 2, 2016 and filed on SEDAR (www.sedar.com). A copy of the news release is attached as Schedule “A” hereto.

**Item 4: Summary of Material Change**

The Issuer announced that it had incorporated a subsidiary in Luxembourg to conduct its business in Europe. True Leaf Pet Europe LLC S.à r.l (“**True Leaf Pet Europe**”) was incorporated effective July 18, 2016. True Leaf Pet Inc., the Issuer’s wholly-owned subsidiary, entered into a subscription agreement to purchase 498 shares of True Leaf Pet Europe at a price of 25€ per share. The Issuer, through its wholly-owned subsidiary True Leaf Pet Inc., now holds 98% of the issued and outstanding shares of True Leaf Pet Europe.

**Item 5: Full Description of Material Change**

Please see the attached Schedule “A”.

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

Not applicable

**Item 7: Omitted Information**

None

**Item 8: Executive Officer**

Kevin Bottomley  
Telephone: 778.389.9933  
Email: kevin@trueleaf.com

**Item 9: Date of Report**

August 2, 2016

## Schedule "A"

# True Leaf Establishes European Subsidiary True Leaf Pet Europe LLC SARL

**Vancouver, BC, August 2, 2016** – True Leaf Medicine International Ltd. (the "Company") (CSE: MJ), has established a subsidiary based in Luxembourg to conduct its business in Europe.

The subsidiary, True Leaf Pet Europe LLC SARL, was incorporated effective July 18, 2016. The Company entered into a subscription agreement to purchase 498 shares of True Leaf Pet Europe LLC SARL at a price of 25 € per share; the Company now holds 98% of the issued and outstanding shares of True Leaf Pet Europe LLC SARL.

Darcy Bomford, President and CEO of the True Leaf Medicine International Inc., said the establishment of a European corporation allows the Company to work in close proximity to European clients and markets. The subsidiary will work with European marketing partner Pet Horizons to build distribution networks and develop sales and distribution performance. It will also allow True Leaf to conduct business in European currency.

### **About True Leaf Medicine International Ltd:**

True Leaf Medicine International Ltd. is entering the \$104.9 billion global pet care industry with a line of hemp-focused pet chews and supplements marketed through natural pet health and veterinary channels in Canada and the US. The company has also filed an application under Health Canada's Marihuana for Medicinal Purposes Regulations (MMPR) to become a Canadian licensed producer through its 'True Leaf Medicine' subsidiary. It has passed through the preliminary and enhanced screening process of Health Canada's review and is currently awaiting security clearance and 'pre-licensing inspection' approval.

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**FORWARD LOOKING INFORMATION**

This press release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this press release. Actual results could differ materially from those currently anticipated due to a number of factors and risks various risk factors discussed in the Company's Management's Discussion and Analysis under the Company's profile on [www.sedar.com](http://www.sedar.com). While the Company may elect to, it does not undertake to update this information at any particular time.