

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

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

True Leaf Brands Inc. (the “**Company**”)  
100 Kalamalka Lake Road, Unit 32  
Vernon, BC V1T 9G1

**Item 2: Date of Material Change**

October 7, 2019

**Item 3: News Release**

A news release was issued and disseminated via Globe NewsWire on October 7, 2019 and filed on SEDAR ([www.sedar.com](http://www.sedar.com)).

**Item 4: Summary of Material Change**

On October 7, 2019, the Company executed a waiver, amendment and funding agreement supplement (the “**Waiver**”) with an entity managed by The Lind Partners, a New York-based institutional fund manager (the “**Investor**”), and closed the transactions contemplated by the Waiver.

The Waiver provides for (i) a 6 month repayment deferral, to March 22, 2020, under the convertible security funding agreement dated February 12, 2019 between the Investor and the Company; (ii) the issuance of an additional convertible security with a face value of \$540,000 (the “**Deferral Convertible Security**”) to the Investor; and (iii) the issuance of 2,160,000 warrants (collectively, the “**Warrants**” and individually, a “**Warrant**”) of the Company to the Investor.

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

**5.1 Full Description of Material Change**

On October 7, 2019, the Company executed the Waiver with the Investor, and closed the transactions contemplated by the Waiver.

The Waiver provides for (i) a 6 month repayment deferral, to March 22, 2020, under the convertible security funding agreement dated February 12, 2019 between the Investor and the Company; (ii) the issuance of the Deferral Convertible Security with a face value of \$540,000 to the Investor; and (iii) the issuance of 2,160,000 Warrants of the Company to the Investor.

The face value of the Deferral Convertible Security is convertible into common shares of the Company at a conversion price of \$0.21 per share. The Company is required to repay the principal amount of the Deferral Convertible Security in 18 equal monthly payments commencing six months after closing, except that the repayment amount will be reduced in any month by any amount converted by the Investor into the Company's

common shares.

Each Warrant entitles the Investor to purchase one common share at an exercise price of \$0.21. The Warrants expire 36 months from their date of issue.

**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**

None

**Item 8: Executive Officer**

Darcy Bomford, CEO  
Telephone: 778.475.5323  
Email: darcy@trueleaf.com

**Item 9: Date of Report**

October 15, 2019