

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

Item 1: Name and Address of Company

TRUE LEAF BRANDS INC.
5728 East Boulevard
Vancouver, BC V6M 4M4

Item 2: Date of Material Change

September 10, 2020, September 13, 2020, September 14, 2020, and September 15, 2020

Item 3: News Release

News release were issued on September 15, 2020 and September 16, 2020, copies of which are attached hereto as Schedule "A" and Schedule "B" respectively.

Item 4: Summary of Material Change

On September 10, 2020, Allen Fujimoto resigned as Interim Chief Executive Officer and Chief Restructuring Officer of the Issuer. Melissa Vettoretti resigned as Corporate Secretary. Darcy Bomford was appointed Interim Chief Executive Officer and Corporate Secretary of the Issuer.

Sylvain Toutant, Michael Mardy, and Jodi Watson resigned from the Issuer's Board of Directors.

Kevin Cole resigned as President of True Leaf Pet Inc. and Allen Fujimoto resigned as Senior VP, Supply Chain of True Leaf Pet Inc.

On September 13, 2020, the Issuer appointed Jennifer Pace to the Board of Directors in addition to her role as Interim Chief Financial Officer.

The Issuer was unable to file its March 31, 2020 financial statements, MD&A and related documents by September 14, 2020.

On September 14, 2020, the Issuer requested a Management Cease Trade Order. The securities of the Issuer were not listed for trading or quoted on any market on this date.

On September 15, 2020, the British Columbia Securities Commission approved the Issuer's request for a Management Cease Trade Order and the securities of the Issuer re-commenced trading on September 16, 2020.

Item 5 Full Description of Material Change

See press releases attached as Schedule "A" and Schedule "B" hereto.

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

N/A

Item 7: Omitted Information

N/A

Item 8: Executive Officer

The name of the executive officer of the Issuer knowledgeable about the material change that can be contacted by the Commission is:

Darcy Bomford
Chief Executive Officer and Director
O: 250-260-0676

Item 9: Date of Report

September 18, 2020

Schedule “A”

[inserted as the following pages]



True Leaf Brands Inc.
32 - 100 Kalamalka Lake Road
Vernon, BC V1T 9G1 Canada

1-778-475-5323
info@trueleaf.com
www.trueleaf.com

**TRUE LEAF ANNOUNCES FILING OF APPLICATION FOR MANAGEMENT CEASE TRADE ORDER
AND PROVIDES UPDATE ON RESTRUCTURING PROCESS**

Vernon, BC – September 15, 2020 – True Leaf Brands Inc. (CSE: MJ) (OTC Pink: TRLFF) (FSE: TLA) (“**True Leaf**” or the “**Company**”) announces today that it will miss its filing deadline of September 14, 2020 to file its audited annual financial statements and accompanying management's discussion and analysis and related CEO and CFO certificates for the year ended March 31, 2020 (collectively, the “**Annual Filings**”), as required under applicable Canadian securities laws.

In connection with the Company's inability to file the Annual Filings on time, the Company has applied for a Management Cease Trade Order (“**MCTO**”) under National Policy 12-203 – Management Cease Trade Orders (“**NP 12-203**”) and is waiting for the British Columbia Securities Commission approval. There is no guarantee that an MCTO will be granted.

The Company is applying for a MCTO as a result of complexities caused by the COVID-19 pandemic and its reorganization. Both events have impacted the Company's ability to complete its audited annual financial statements and has consequently caused a delay in completion of the Annual Filings.

The Company expects to file the Annual Filings as soon as they are available, but in any event no later than October 14, 2020. Until the Company files the Annual Filings, it will comply with the alternative information guidelines set out in NP 12-203. The guidelines, among other things, require the Company to issue bi-weekly default status reports, in the form of news releases, for so long as the Annual Filings have not been filed.

During the MCTO, the general investing public will continue to be able to trade in the Company's common shares listed on the Canadian Securities Exchange. However, the Company's Chief Executive Officer and Chief Financial Officer and such other directors, officers and persons as determined by the applicable regulatory authorities will not be able to trade in the Company's shares, nor will the Company be able to, directly or indirectly, issue securities to or acquire securities from an insider or employee of the Company except in accordance with legally binding obligations to do so existing as of September 14, 2020, being the date of the Company's anticipated continuous disclosure default.

The Company is currently undergoing a reorganization procedure. If the Company provides any information to any of its creditors during the period in which it is in default of filing the Annual Financial Statements, the Company confirms that it will also file material change reports on SEDAR containing such information.

Update on Restructuring Process

The Company also announced today that, on August 28, 2020, True Leaf and its subsidiaries obtained Orders from the Supreme Court of British Columbia (the “**Court**”) extending the stay of proceedings in the companies’ restructuring proceedings under the Bankruptcy and Insolvency Act (Canada). The stay of proceedings has been extended to October 2, 2020.

On August 28, 2020, the Court also approved the Sale Agreement for True Leaf Pet Inc. (“**TLP**”). As previously announced on August 19, 2020, TLP entered into a purchase and sale agreement dated August 11, 2020, with 4033001 and Hemp Technology Inc. for the sale of substantially all of the assets of TLP.

Other Corporate Matters

True Leaf Brands Inc.

Effective September 10, 2020, Allen Fujimoto resigned as interim Chief Executive Officer and Chief Restructuring Officer of True Leaf Brands Inc. Melissa Vettoretti resigned as Corporate Secretary. Darcy Bomford was appointed interim Chief Executive Officer and Corporate Secretary of the Company.

Sylvain Toutant, Michael Mardy, and Jodi Watson resigned from the Company’s board of directors. Jennifer Pace was appointed to the board as a director effective September 13, 2020. Michael Harcourt will remain as Chairman of True Leaf Brands Inc.

True Leaf Pet Inc.

Kevin Cole resigned as President of True Leaf Pet Inc., and Allen Fujimoto resigned as Senior Vice President, Supply Chain.

About True Leaf

True Leaf Brands Inc. is a wellness company. True Leaf Cannabis Inc., a division of True Leaf Brands Inc., is a Licensed Producer and owns True Leaf Campus, an 18,000 square foot facility located on a 40-acre site zoned for the cultivation, processing, and sale of cannabis, as well as general industrial use, in Lumby, British Columbia.

www.trueleaf.com

Investor Contact:

Darcy Bomford
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Forward-Looking Statements

This news release contains forward-looking statements, and management may make additional forward-looking statements in response to your questions. Such written and oral disclosures are made pursuant

to the Safe Harbor provision of the *Private Securities Litigation Reform Act of 1995* and True Leaf hereby claims such safe harbour protection for all forward-looking statements. Forward-looking statements in this news release include, but are not limited to, statements regarding the Company's conclusion of a successful restructuring process. The statements are dependent on a number of assumptions and risk factors, which include, but are not limited to, (i) the outcome of the review process of all strategic alternatives available to the Company, (ii) the ability of the Company to submit a proposal acceptable to its creditors; (iii) the ability of the Company to continue its activities; (iv) the ability of the Company to secure additional funds, (v) general business and economic uncertainties, (vi) third party events and adverse market conditions and (vii) those risks set out in the Company's public documents filed on SEDAR. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected effects on True Leaf. These forward-looking statements are made as of the date of this press release. Except as required by applicable securities legislation, the Company assumes no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

The Canadian Securities Exchange (operated by CNSX Markets Inc.) has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved of the contents of this press release.

Schedule “B”

[inserted as the following pages]



True Leaf Brands Inc.
32 - 100 Kalamalka Lake Road
Vernon, BC V1T 9G1 Canada

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TRUE LEAF ANNOUNCES MANAGEMENT CEASE TRADE ORDER PER NATIONAL POLICY 12-203

Vernon, BC – September 16, 2020 – True Leaf Brands Inc. (CSE: MJ) (OTC Pink: TRLFF) (FSE: TLA) (“**True Leaf**” or the “**Company**”) announces that its principal regulator, the British Columbia Securities Commission (the “**BCSC**”), has accepted the Company's request for, and the BCSC has granted, a management cease trade order (the “**MCTO**”).

As previously announced on September 15, 2020, the application for the MCTO was made by the Company due to a delay in the preparation and filing of the Company's annual audited financial statements for the financial year ended March 31, 2020, the accompanying management's discussion and analysis and the related CEO and CFO certifications (collectively, the “**Annual Filings**”) which were due July 29, 2020. The Company had relied on the temporary filing relief provided by BC Instrument 51-517 which provided an additional 45-day period for the Company to complete its Annual Filings. This period lapsed on September 14, 2020.

The MCTO restricts all trading in securities of the Company, whether direct or indirect, by the Chief Executive Officer, the Chief Financial Officer, and the directors of the Company until such time as the Annual Filings have been filed by the Company and the MCTO has been lifted. The MCTO does not affect the ability of shareholders who are not insiders of the Company to trade their securities. However, the applicable Canadian securities regulatory authorities could determine, in their discretion, that it would be appropriate to issue a general cease trade order against the Company affecting all of the securities of the Company.

The Company continues to work closely with its auditor and expects to file the Annual Filings no later than October 14, 2020.

During the MCTO, the Company confirms that it will comply with the provisions of the alternative information guidelines set out in National Policy 12-203 respecting Management Cease Trade Orders for as long as it remains in default, including the issuance of bi-weekly default status reports, each of which will be issued in the form of a news release. Further, if the Company provides any information to any of its creditors during the period in which it is in default of filing the Annual Financial Statements, the Company confirms that it will also file material change reports on SEDAR containing such information. The Company confirms that there is no other material information concerning the affairs of the Company that has not been generally disclosed as of the date of this press release.

About True Leaf

True Leaf Brands Inc. is a wellness company. True Leaf Cannabis Inc., a division of True Leaf Brands Inc., is a Licensed Producer and owns True Leaf Campus, an 18,000 square foot facility located on a 40-acre site zoned for the cultivation, processing, and sale of cannabis, as well as general industrial use, in Lumby, British Columbia.

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Forward-Looking Statements

This news release contains forward-looking statements, and management may make additional forward-looking statements in response to your questions. Such written and oral disclosures are made pursuant to the Safe Harbor provision of the *Private Securities Litigation Reform Act of 1995* and True Leaf hereby claims such safe harbour protection for all forward-looking statements. Forward-looking statements in this news release include, but are not limited to, statements related to the anticipated delay in the completion of the Company's Annual Filings and the Company's ability to complete its audit and complete the Annual Filings by October 14, 2020.

Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, True Leaf may not complete its audit and file the Annual Filings as currently anticipated, or at all; True Leaf will be subject to a general cease trade order in the event that the Annual Filings are not completed and filed; and other related risks as set out in True Leaf's public documents filed on SEDAR. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected effects on True Leaf. These forward-looking statements are made as of the date of this press release. Except as required by applicable securities legislation, True Leaf assumes no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

The Canadian Securities Exchange (operated by CNSX Markets Inc.) has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved of the contents of this press release.