

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**1. Name and Address of Company**

Legion Metals Corp.  
600 – 1090 West Georgia Street  
Vancouver, British Columbia, V6E 3V7

**2. Date of Material Change**

November 19, 2018

**3. News Release**

The news release announcing the material change was disseminated on November 29, 2018, through Newsfile. The news release was also filed with the British Columbia, Alberta and Ontario Securities Commissions on SEDAR.

**4. Summary of Material Change**

Legion Metals Corp. (“Legion”) provided an update respecting the reverse takeover transaction under which Legion will acquire all of the issued and outstanding shares of Nextleaf Solutions Ltd. (“Nextleaf”) by way of plan of arrangement (the “Transaction”), as previously announced in Legion’s press release dated August 27, 2018. The companies have now entered into a binding acquisition agreement and arrangement agreement, and have obtained an interim order from B.C. Supreme Court authorizing the companies to set Monday, January 2, 2019 for the date of their respective meetings of securityholders and shareholders under which the companies will seek approval of, among other things, the Transaction.

In addition, Probe Metals Inc. (“Probe”) provided Legion with formal notice that Probe has incurred \$250,000 in exploration expenditures on Legion’s Millen Mountain Property and has successfully exercised its option under the option agreement respecting the Property to earn a 50% interest in the Property. Probe also provided its intention to seek to exercise its option for a further 25% interest in the Property pursuant to the terms of the option agreement.

**5.1 Full Description of Material Change**

See attached news release.

**5.2 Disclosure for Restructuring Transactions**

N/A

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

Not applicable.

**7. Omitted Information**

No information has been intentionally omitted from this material change report.

**8. Executive Officer**

Peter Smith, CEO  
778.999.7030

**9. Date of Report**

November 29, 2018

## LEGION METALS CORP. AND NEXTLEAF SOLUTIONS LTD. EXECUTE DEFINITIVE AGREEMENTS FOR RTO TRANSACTION

Vancouver, B.C. – November 29, 2018 – Legion Metals Corp. (“Legion” or the “Company”) (CSE: LEGN) is pleased to provide an update respecting the reverse takeover transaction under which Legion will acquire all of the issued and outstanding shares of Nextleaf Solutions Ltd. (“Nextleaf”) by way of plan of arrangement (the “Transaction”), as previously announced in Legion’s press release dated August 27, 2018. The companies have now entered into a binding acquisition agreement and arrangement agreement, and have obtained an interim order from B.C. Supreme Court authorizing the companies to set Monday, January 2, 2019 for the date of their respective meetings of securityholders and shareholders under which the companies will seek approval of, among other things, the Transaction. Details of the Transaction, including a summary of the terms and conditions of the acquisition agreement and the arrangement agreement, are disclosed in a joint information circular of the companies respecting the meetings will be sent to the relevant securityholders of the companies and will also be available under Legion’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

### The Transaction

The Transaction will proceed by way of plan of arrangement. It is a condition to closing the Transaction that Nextleaf will complete a private placement equity financing (the “**Private Placement**”) having gross proceeds of no less than \$3,000,000 and of no more than \$7,000,000 (subject to the Over-Allotment Option, defined below). On closing, depending on the size of the Private Placement (and subject to, if applicable, the Over-Allotment Option), it is anticipated that Nextleaf shareholders will hold between 96.0% and 96.5% of the shares of the resulting issuer (the “**Resulting Issuer**”), and Legion shareholders will hold an aggregate of 3,647,029 shares of the Resulting Issuer, representing between 3.5% and 4.0% of the shares of the Resulting Issuer. Following closing, the outstanding options and warrants to purchase shares of Legion and Nextleaf will represent options and warrants to purchase shares of the Resulting Issuer, with the number of shares issuable upon exercise and the exercise price adjusted to reflect the terms of the Transaction.

On closing of the Transaction, it is anticipated that Legion will change its name to “Nextleaf Solutions Ltd.” and will carry on with the development of Nextleaf’s cannabis extraction technology business, more particularly described below. In addition, Legion’s current management and board will resign and representatives of Nextleaf with the requisite experience to manage the Resulting Issuer post-closing will replace them.

The completion of the Transaction is subject to a number of conditions, including but not limited to the completion of satisfactory mutual due diligence, the completion of the Private Placement, and the approval of the Transaction by the Canadian Securities Exchange and the securityholders of each of Legion and Nextleaf (if and as applicable).

As a result of the fact that certain of the officers and directors of Legion are shareholders of Nextleaf, the Transaction is considered a “related party transaction” pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Transaction is exempt from the requirements under MI 61-101 to obtain a formal valuation pursuant to Section 5.5(b) of MI 61-101. Under MI 61-101, the Transaction must receive minority shareholder approval, with the votes of such officers and directors of Legion that are shareholders of Nextleaf being excluded from the minority shareholder vote.

## The Financing

As noted above, it is a condition to closing the Transaction that Nextleaf will complete the Private Placement having gross proceeds of no less than \$3,000,000 and of no more than \$7,000,000 (subject to a 15% over-allotment option). Mackie Research Capital Corporation (the “**Agent**”) will act as lead agent and sole bookrunner, with Hunter Capital Advisors Pty Ltd acting as special selling group member, to conduct the brokered Private Placement under which Nextleaf will issue units (“**Units**”) at a price of \$0.35 per Unit. Each Unit will be comprised of one share and one share purchase warrant, with each warrant exercisable for an additional share at a price of \$0.70 per share for 24 months, provided however that if the shares trade above \$1.25 per share for 20 consecutive trading days, then the expiry date of the warrants will be accelerated to the date which is 30 days after such 20 consecutive trading days. Nextleaf will pay a commission equal to 6% of the gross proceeds received by Nextleaf and issue such number of broker warrants equal to 6% of the number of Units sold in the Private Placement, with each such broker warrant exercisable to purchase one share (not one Unit, as indicated in the August 27 press release) at a price of \$0.35 per share for a period of 24 months from closing of the Private Placement. In addition, Nextleaf will pay to the Agent a corporate finance fee in the amount of \$40,000 and an advisory fee equal to 2% of the gross proceeds received by Nextleaf and such number of broker warrants equal to 2% of the number of Units sold in the Private Placement.

## About Nextleaf Solutions

Nextleaf Solutions Ltd. is a cannabis extraction & processing technology company that has developed a patented process for the commercial scale production of high-quality cannabis distillate, the precursor to every cannabis-infused product. Nextleaf owns and continually invests in an intellectual property portfolio of methodologies for the extraction and refinement of high-value extracts from cannabis and hemp biomass, as well as formulations for a plethora of cannabinoid-infused products.

Nextleaf’s mission is to develop and deploy large-scale cannabis and hemp extraction technologies and provide turn-key processing solutions to help licensed cultivators maximize the value of every harvest. Nextleaf’s patented technology and market-validated formulations help cultivators increase revenue and profitability through extraction, refinement, and purification of biomass into high-purity, tasteless, odourless distillate oil. Containing a cannabinoid concentration of up to 95%, the resulting distillate is easy to dose, formulate, and develop into innovative, value-added products for both the legal medicinal and recreational/adult-use markets.

Nextleaf is currently constructing a centralized processing and manufacturing facility in Coquitlam, British Columbia, tentatively scheduled to open prior to Canada’s legalization of edibles and other cannabis derivative products. Nextleaf’s facility will house large volume production lines that provide the requisite expertise and equipment to accommodate harvest sizes ranging from micro cultivators to large licensed producers. Nextleaf’s facility also includes dedicated research and laboratory infrastructure, allowing for the continued and rapid development of novel, scalable cannabis processing technologies. In addition, Nextleaf has designed and built a fully-capable mobile extraction lab, which allows licensed clients to produce high-quality distillate, minimizing capital expenditures and increasing speed to market.

Nextleaf Solutions Ltd. is a private company incorporated under the laws of the Province of British Columbia, and has a head office in Coquitlam, British Columbia.

## Trading Update

Trading of Legion’s shares are expected to remain halted until completion of the Transaction or until satisfactory documentation is filed with the Canadian Securities Exchange. Additional information about the Transaction will be provided by way of a subsequent news release(s).

## Legion's Assets

Legion's key asset is its interest in the Millen Mountain Property, which is comprised of 80 mineral claims covering approximately 1,280 hectares in Nova Scotia, Canada. Legion is party to an amended and restated property option agreement (the "**Option Agreement**") dated October 3, 2017 respecting the Property with Probe Metals Inc. ("**Probe**"). Recently, Probe provided Legion with formal notice that Probe has incurred \$250,000 in exploration expenditures on the Property and has successfully exercised its option under the Option Agreement to earn a 50% interest in the Property. Probe also provided its intention to seek to exercise its option for a further 25% interest in the Property pursuant to the terms of the Option Agreement.

As part of the plan of arrangement, Legion's interest in the Millen Mountain Property will be spun out of Legion into another company, with Legion shareholders being pro rata shareholders of the new company. Prior to closing the Transaction, Legion will also divest its crypto-currency assets.

## About Legion

Legion is a Vancouver-based mineral exploration company currently focused on the exploration and development of its Millen Mountain Property, which is comprised of 80 mineral claims covering approximately 1,280 hectares in Nova Scotia, Canada. For further information, please refer to Legion's disclosure record on SEDAR ([www.sedar.com](http://www.sedar.com)) or contact the Company by telephone at 778.999.7030.

ON BEHALF OF THE BOARD OF LEGION METALS CORP.

*"Peter Smith"*

Peter Smith, President and CEO

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This press release contains "forward-looking information" that is based on the Company's current expectations, estimates, forecasts and projections. This forward-looking information includes, among other things, the Company's business, plans, outlook and business strategy. The words "may", "would", "could", "should", "will", "likely", "expect", "anticipate," "intend", "estimate", "plan", "forecast", "project" and "believe" or other similar words and phrases are intended to identify forward-looking information. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: changes in economic conditions or financial markets; increases in costs; litigation; legislative, environmental and other judicial, regulatory, political and competitive developments; and technological or operational difficulties. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable law.

The CSE has not reviewed, approved or disapproved the contents of this press release.