

FORM 51-102F3

MATERIAL CHANGE REPORT

- 1. Name and Address of Company**
Nextleaf Solutions Ltd.
Suite 304
68 Water Street
Vancouver, British Columbia, V6B 1A4
- 2. Date of Material Change**
July 8, 2019
- 3. News Release**
The news release announcing the material change was disseminated on July 8, 2019, through Canada Newswire. The news release was also filed with the British Columbia, Alberta and Ontario Securities Commissions on SEDAR.
- 4. Summary of Material Change**
Nextleaf Solutions Ltd. (“Nextleaf” or the “Company”) announced that it added Mr. Tim Gillis to its Board of Directors, effective immediately. Concurrently with the addition of Mr. Gillis to the Board of Directors, Dr. Paul MacLeman resigned as a director of Nextleaf. The Company awarded a Director of the Company 150,000 options, pursuant to the Company's Stock Option Plan, exercisable at a price of \$0.50 per common share.
- 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**
Paul Pedersen, CEO
604.283.2301
- 9. Date of Report**
July 16, 2019

Tim Gillis Joins Nextleaf Board of Directors

Seasoned Executive and Entrepreneur Brings Substantial Business Operations Growth and Pharmaceutical Technology Industry Experience

VANCOUVER, July 8, 2019 /CNW/ - **Nextleaf Solutions Ltd. ("Nextleaf", "OILS" or the "Company") (CSE: OILS) (OTC: OILFF) (Frankfurt: LOMA)** today announced that it has added Mr. Tim Gillis to its Board of Directors, effective immediately.

Mr. Gillis most recently led STI Technologies Limited ("STI"), a leading healthcare technology company which connects physicians, patients, pharmacy and pharma with a variety of intelligent reimbursement solutions that empower choice amongst healthcare professionals and patients, ultimately improving patient outcomes. As Chief Executive Officer, Mr. Gillis navigated STI through a period of hypergrowth which culminated in a sale to IQVIA (NYSE: IQV). Mr. Gillis has previously held senior positions with Stantec Inc. (TSX: STN) and Clarke Inc. (TSX: CKI) and throughout his career has completed over \$345MM in strategic transactions.

"Tim Gillis is a dynamic leader and is experienced in growing a disruptive technology company in the pharma industry. He is an excellent fit as Nextleaf continues to develop and monetize its intellectual property portfolio focused on industrial-scale cannabis extraction, purification, and derivative formulations" said Paul Pedersen, Chief Executive Officer at Nextleaf. "Tim's decades of operational and strategic experience in health care technology and the pharma industry will be an asset as we focus on building long term shareholder value."

"Nextleaf is at an exciting stage with THC and CBD based edibles and concentrates set to become legal across Canada this October. With its portfolio of issued and pending patents, the Company is well-positioned to capitalize on the global legalization movement," said Tim Gillis. "I look forward to working with Nextleaf's management team to leverage my experience in growing a technology company that specialized within the pharmaceutical industry. We are committed to fostering strong corporate governance by implementing best practices and positioning the Company as a technology leader in the cannabis industry."

Concurrently with the addition of Mr. Gillis to the Board of Directors, Dr. Paul MacLeman has resigned as a director of Nextleaf to focus on his growing Australian business opportunities and commitments. Paul Pedersen said, "we would like to thank Mr. MacLeman for all his support and effort throughout an important stage of Nextleaf's development."

Options Grant

The Company has awarded a Director of the Company 150,000 options, pursuant to the Company's Stock Option Plan, exercisable at a price of \$0.50 per common share.

Licensing Update

OILS is pleased to announce the Affirmation of Readiness and Video Evidence Package (the "**Evidence Package**") has been submitted to Health Canada for Nextleaf's built-out extraction and processing facility in Greater Vancouver, British Columbia. The Evidence Package submission is the final step required in order to demonstrate and confirm to Health Canada that a facility is fully built, operationally ready and in compliance with the Cannabis Act, prior to being issued a Standard Processing License. Health Canada has indicated a service standard within 60 days from submission of a completed Evidence Package.

About Nextleaf

Nextleaf Solutions Ltd. (**CSE: OILS**) is an extraction technology company that has developed a portfolio of issued and pending patents pertaining to the Company's unique, industrial-scale process of producing purified cannabinoid distillate, a tasteless, odourless cannabis concentrate best suited for infusing premium value-added products. Upon cannabis concentrates becoming legal across Canada on October 17, 2019, Nextleaf plans to commercialize its intellectual property portfolio through B2B processing services to licensed cultivators and the supply of cannabis oils and concentrates to qualified Canadian and international partners.

For more information visit <https://www.nextleafsolutions.com>, phone 604-283-2301 (ext. 201), email investors@nextleafsolutions.com, or follow OILS across social media platforms.

CAUTIONARY STATEMENT:

The securities described herein, if any, have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States or to, or for the benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to exemptions therefrom. This release does not constitute an offer to sell or a solicitation of an offer to buy of any of OILS securities in the United States. This news release may contain "forward-looking information" as defined in applicable Canadian securities legislation. All statements other than statements of historical fact included in this release, including, without limitation, future operating margins, future production and processing, processing results, and future plans and objectives of OILS, constitute forward looking information that involve various risks and uncertainties. Forward- looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect, including, but not limited to, assumptions in connection with the continuance of OILS and its subsidiaries as a going concern, general economic and market conditions, price of biomass, the accuracy of production resource estimates, and the performance of OILS future operations. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information. Important factors that could cause actual results to differ materially from OILS' expectations 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. For additional information with respect to risk factors applicable to OILS, reference should be made to OILS continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, OILS CSE Listing Statement. The forward- looking information contained in this release is made as of the date of this release. OILS 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.