

**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**

September 17, 2019

**3. News Release**

The news release announcing the material change was disseminated on September 18, 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 the United States Patent and Trademark Office has granted the Company its fifth U.S patent pertaining to Nextleaf's proprietary process of industrial-scale extraction, refinement, and purification of cannabinoids. The Company also received news of two patents issued from the Canadian Intellectual Property Office as well as from Intellectual Property Australia.

**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**

September 23, 2019



# Nextleaf Solutions Announces Issuance of Three Patents for Cannabis Extraction

**Latest awards bring Nextleaf's intellectual property portfolio to a total of eight (8) issued patents related to the extraction, refinement and purification of cannabinoids**

VANCOUVER, Sept. 18, 2019 /CNW/ - Nextleaf Solutions Ltd. ("**Nextleaf**", "**OILS**", or the "**Company**") (**CSE: OILS**) (**OTCQB: OILFF**) (**FSE: LOMA**) is pleased to announce the United States Patent and Trademark Office has granted the Company its fifth U.S patent pertaining to Nextleaf's proprietary process of industrial-scale extraction, refinement, and purification of cannabinoids.

The latest U.S. patent relates to post-extraction processing which includes filtration, novel decarboxylation methodologies, and the targeted removal of pigments – all of which create greater efficiencies and higher throughput rates. The resulting cannabinoid distillate oil is tasteless, odourless, highly purified, and ready to formulate into a variety of standardized THC and CBD infused products.

The Company also received news of two patents issued from the Canadian Intellectual Property Office as well as from Intellectual Property Australia. These patents echo the precedent set by the United States Patent and Trademark Office validating Nextleaf's industrial-scale extraction and post-extraction processing technology.

"As we've seen with transactions like Canopy Growth Corp's US\$330 million acquisition of Ebbu Inc. and its portfolio of pending patents, there is significant shareholder value creation through the formalization and protection of intellectual property," said Paul Pedersen, Nextleaf Solutions CEO. "The difficulties cannabis companies have faced in turning intellectual property into patents point to a broader issue in the industry, where many companies tout their intellectual property, but few have successfully obtained exclusive rights to their inventions. Nextleaf being granted eight patents by three international patent offices in key markets such as Canada, Australia, and the United States validates our technology and further reinforces our vision to develop disruptive intellectual property for industrial-scale extraction, purification and formulation of cannabinoids."

The OILS team remains focused on expanding its IP portfolio by developing and acquiring the industry's most advanced, efficient, and scalable cannabis processing solutions, and positioning Nextleaf as the preeminent cannabinoid extraction technology company. By applying its IP, Nextleaf has the potential to vastly reduce the cost of CBD and THC oil production,

## About Nextleaf Solutions

Nextleaf Solutions Ltd. ("**OILS**") is developing disruptive intellectual property for industrial-scale extraction, purification and formulation of cannabinoids. OILS owns a portfolio of eight (8) issued and 24 pending patents pertaining to the production of high-purity, cannabinoid rich distillate, the key ingredient used in the manufacturing of standardized THC and CBD infused products. The Company plans to commercialize its intellectual property portfolio through IP licensing and B2B processing services once cannabis concentrates become legal across Canada on October 17, 2019.

Nextleaf Solutions trades as OILS on the Canadian Securities Exchange, OILFF on the OTCQB Market in the United States, and LOMA on the Frankfurt Stock Exchange.

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For more information visit [www.nextleafsolutions.com](http://www.nextleafsolutions.com) or follow OILS across social media platforms:

[Twitter](#), [LinkedIn](#), Facebook, [Instagram](#) and [YouTube](#).

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 Nextleaf Solutions 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 Nextleaf Solutions, 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 Nextleaf Solutions 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 Nextleaf Solutions 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 Nextleaf Solutions' 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 Nextleaf Solutions, reference should be made to Nextleaf Solutions continuous disclosure materials filed from time to time with securities regulators, including, but not limited to, Nextleaf Solutions CSE Listing Statement. The forward-looking information contained in this release is made as of the date of this release. Nextleaf Solutions 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.release.