

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

**Item 1. Name and Address**

Nextleaf Solutions Ltd. (the “**Company**”)  
Suite 304 – 68 Water Street  
Vancouver, British Columbia  
V6B 1A4

**Item 2. Date of Material Change**

November 22, 2023

**Item 3. News Release**

A news release disclosing in detail the material summarized in this material change report was disseminated through the facilities of a recognized newswire service on November 22, 2023. The news release was also filled on SEDAR+.

**Item 4. Summary of Material Change**

Subject to shareholder approval, the Company adopted a shareholder rights plan (the “**Rights Plan**”).

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

**5.1 *Full Description of Material Change***

Subject to shareholder approval, the Company announced that its board of directors (“**Board**”) has approved and adopted the Rights Plan effective November 22, 2023.

The purpose of the Rights Plan is to provide shareholders and the Board with adequate time to consider and evaluate any unsolicited take-over bid made for the Company’s common shares, provide the Board with adequate time to explore and develop value-enhancing alternatives, and encourage the fair treatment of shareholders in connection with any take-over bid made for the Company’s common shares. The Rights Plan is intended to prevent any person from acquiring beneficial ownership of more than 20% of all outstanding common shares of the Company while the Board’s process is ongoing, or from entering into arrangements or relationships that have a similar effect. The Rights Plan entered into effect on November 22, 2023, subject to ratification by the Company’s shareholders at the next annual and special meeting of shareholders, to be held on December 19, 2023. If the Rights Plan is not confirmed by shareholders, it will terminate and have no further force or effect.

The Rights Plan provides for the issuance of one right for each outstanding common share of the Company. Pursuant to the terms of the Rights Plan, any bid that meets certain criteria intended to protect the interests of all shareholders will be deemed a “permitted bid”. These criteria require, among other things, that the bid be made by means of a take-over bid circular to all holders of voting shares other than the offeror under the bid, and be left open for at least 105 days. In the event a take-over bid does not meet the permitted bid requirements of the Rights Plan, the rights issued under the Rights Plan will entitle

shareholders, other than any shareholder or shareholders involved in the take-over bid, to purchase additional common shares of the Company at a specified exercise price. The Rights Plan has not been adopted in anticipation of any known take-over bid.

The Rights Plan is available on the Company's profile on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

**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**

Not applicable.

**Item 8. Executive Officer**

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Emma Andrews, CEO  
Telephone: (778) 388-2226

**Item 9. Date of Report**

November 22, 2023.