Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Beleave Inc. (the "**Corporation**")
1653 Hwy 6 N, Hamilton, ON L8N 2Z7

Item 2 Date of Material Change

June 5, 2020

Item 3 News Releases

Two news releases detailing the material change were issued by the Corporation on June 5, 2020 and was subsequently filed on SEDAR.

Item 4 Summary of Material Change

On June 5, 2020, the Corporation announced that it, together with its affiliated entities, Beleave Kannabis Corp., Seven Oaks Inc., 9334416 Canada Inc. O/A Medi-Green and My-Grow, Beleave Kannabis Abbotsford Inc. and Beleave Kannabis Chilliwack Inc. (collectively, the "**Beleave Group**") had received the approval of its directors to make application for an order for creditor protection (the "**Initial Order**") from the Ontario Superior Court of Justice (Commercial List) (the "Court") under the Companies' Creditors Arrangement Act (the "**CCAA**"). The Company made its application to Court for the Initial Order on June 5, 2020.

The Corporation subsequently on June 5, 2020 also announced that it had been granted the Initial Order.

Item 5.1 Full Description of Material Change

On June 5, 2020, the Corporation announced that it, together with its the Beleave Group had received the approval of its directors to make application for the Initial Order from the Court under the CCAA. The Company made its application to Court for the Initial Order on June 5, 2020.

The Initial Order being sought would include, among other things, a stay of proceedings in favour of the Beleave Group and the appointment of Grant Thornton Limited as monitor of the Beleave Group (in such capacity, the "Monitor").

The Beleave Group is seeking creditor protection under the CCAA in order to receive a stay of proceedings that will allow the Beleave Group to facilitate a going concern transaction ("Proposed Transaction") with Hegedus Consulting Services Inc. ("Purchaser") or identify and conclude a transaction with a superior offer.

Pursuant to the Proposed Transaction, the Beleave Group and the Purchaser have agreed to: (i) a debtor-in-possession loan to fund the proposed CCAA proceedings ("Dip Loan"); and (ii) an offer by the Purchaser to purchase substantially all of the assets of the Beleave Group pursuant to an asset purchase agreement that will be the "stalking-horse" in a sale process designed to solicit higher and better offers.

It is expected that the Beleave Group's day-to-day obligations to employees and key suppliers of goods and services, from and after the filing day, will continue to be met. While under CCAA protection, management of the Company would remain responsible for the day-to-day operations of the Company under the general oversight of the Monitor.

Item 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

Thomas Smith on behalf of Grant Thornton Limited, court-appointed Monitor of the Beleave Group (416)369-7089

Item 9 Date of Report

June 5, 2020

Cautionary Note Regarding Forward Looking Information

Certain information in this material change report constitutes forward-looking statements under applicable securities law. Any statements that are contained in this material change report that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “intend” and similar expressions. Forward-looking statements necessarily involve known and unknown risks as disclosed by the Corporation in its continuous disclosure filings which may be reviewed on www.sedar.com.

Readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. All forward-looking statements contained in this news release are expressly qualified by this cautionary statement. Except as required by applicable law, the Corporation undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.