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

## Item 1 Name and Address of Company

Aleafia Health Inc. (the "**Company**")
85 Basaltic Road
Concord, Ontario, L4K 1G4

## Item 2 Date of Material Change

March 9, 2021

## Item 3 News Release

The news release disclosing the material change was released March 9, 2021 through the facilities of Globe Newswire, a copy of which was filed on SEDAR.

## Item 4 Summary of Material Change

On March 9, 2021, the Company announced that it closed its previously announced bought deal offering for a total issuance of 27,390,000 units (the "**Units**") of the Company at a price of $0.83 per Unit for aggregate gross proceeds of $22,733,700 (the "**Offering**"), which includes a partial exercise of the over-allotment option.

## Item 5 Full Description of Material Change

On March 9, 2021, the Company announced that it closed its previously announced bought deal offering for a total issuance of 27,390,000 units of the Company at a price of $0.83 per Unit for aggregate gross proceeds of $22,733,700, which includes the partial exercise of the over-allotment option. The Offering was led by Cantor Fitzgerald Canada Corporation on behalf of a syndicate of underwriters including Echelon Wealth Partners Inc. and Mackie Research Capital Corp. (together, the "**Underwriters**"). Each Unit consisted of one common share in the capital of the Company (a "**Common Share**") and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant shall entitle the holder thereof to purchase one Common Share at an exercise price of $1.05, for a period of 24 months following the closing of the Offering. The Company paid the Underwriters a cash fee of 7% of the aggregate gross proceeds, and an aggregate of 1,232,550 non-transferable compensation warrants, with each compensation warrant being exercisable into a Unit at a price of $0.83 for a period of 24 months following the closing of the Offering. The Company intends to use the net proceeds of the Offering for growth opportunities and working capital initiatives.

**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 is knowledgeable about the material change and this report:

Benjamin Ferdinand
Chief Financial Officer
416-860-5665
IR@AleafiaHealth.com

**Item 9 Date of Report**

March 19, 2021