

**FORM 51-102F3**  
**Material Change Report**

**Item 1        Name and Address of Company**

LW Capital Pool Inc. (the “**Company**”)  
c/o LaBarge Weinstein LLP  
800 – 515 Legget Drive,  
Ottawa, Ontario K2K 3G4

**Item 2        Date of Material Change**

March 18, 2014

**Item 3        News Release**

News release attached as Schedule “A” was disseminated on March 18, 2014.

**Item 4        Summary of Material Change**

The Company announced that it had entered into an agreement setting out the terms upon which Tweed Inc. will complete a reverse takeover of the Company.

**Item 5        Full Description of Material Change**

See news release attached as Schedule “A”.

**Item 6        Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

**Item 7        Omitted Information**

N/A

**Item 8        Executive Officer**

Deborah Weinstein, a director of the Company, is knowledgeable about the material change and this report. Her business telephone number is (613) 599-9600.

**Item 9        Date of Report**

March 20, 2014

## SCHEDULE “A”

### TWEED INC. AND LW CAPITAL POOL INC. ENTER INTO DEFINITIVE AGREEMENT RELATING TO REVERSE TAKEOVER TRANSACTION

**OTTAWA, ONTARIO, March 18, 2014** – LW Capital Pool Inc. (“**LW CPI**”) (TSXV: LWI.H) and Tweed Inc. (“**Tweed**”) are pleased to announce that as of the date hereof they have entered into an agreement (the “**Definitive Agreement**”) setting out the terms upon which Tweed will complete a reverse takeover of LW CPI (the “**Transaction**”). The signing of the Definitive Agreement follows a previously announced non-binding letter of intent between the parties dated as of January 2, 2014.

#### **The Parties**

LW CPI is a Capital Pool Company listed on the NEX board of the TSX Venture Exchange (the “**Exchange**”). LW CPI has not commenced commercial operations and has no assets other than cash. The Transaction, if completed, will constitute LW CPI’s “Qualifying Transaction”, as defined in Exchange policies.

Tweed was incorporated under the *Business Corporations Act* (Ontario) on January 22, 2010 and became a licensed producer of medical marijuana on January 27, 2014. The principal activities of Tweed are the production, storage and sale of marijuana out of its facility in Smiths Falls, Ontario as regulated by the *Marihuana for Medical Purposes Regulations* (the “**MMPR**”).

#### **The Transaction**

On closing of the Transaction LW CPI will change its name to Tweed Marijuana Inc. The Transaction will be structured as a three cornered amalgamation in which Tweed will amalgamate with 2405882 Ontario Inc., a wholly owned subsidiary of LW CPI formed solely for the purpose of facilitating the Transaction. The amalgamated company will be a wholly owned subsidiary of Tweed Marijuana Inc., will continue to be named Tweed Inc., will have the same board of directors and officers as Tweed (unless and until changed in accordance with the requirements of the MMPR) and will continue to conduct Tweed’s operations.

As of the date hereof, LW CPI has 7,260,000 common shares outstanding and has outstanding options to acquire an aggregate of 723,000 common shares at an exercise price of \$0.10 per common share. Pursuant to the terms of the Definitive Agreement, LW CPI will complete a consolidation of its outstanding common shares on a 1 for 5 basis and accordingly the current holders of common shares of LW CPI will hold 1,452,000 common shares and LW CPI will then issue a total of 32,042,612 common shares to the holders of the issued and outstanding shares of Tweed in exchange for all issued and outstanding shares of Tweed. In addition, it is expected that 2,980,054 common shares of LW CPI will be reserved for options and warrants issued to the holders of Tweed options and warrants and a further 144,600 common shares of LW CPI (as a result of the consolidation of the 723,000 common shares referred to above) will be reserved for currently outstanding options to acquire LW CPI shares. Based on the number of Tweed

common shares currently expected to be outstanding on closing, this provides for an exchange ratio of 213.10 LW CPI common shares for each outstanding Tweed common share.

In the event the Tweed Rights (as described below under the heading “Tweed Private Placements”) convert into common shares, an additional 1,575,567 common shares of LW CPI will be issued in connection with the Transaction.

Following the Transaction, the current shareholders of Tweed are expected to hold approximately 95.66% of the outstanding shares of LW CPI (95.86% if the Tweed Rights convert) with the current LW CPI shareholders holding the balance.

The founders and controlling shareholders of Tweed are Bruce Linton and Charles Rifici, each resident in Ottawa, Ontario, who directly and indirectly hold approximately 11.7% and 25.2% of the outstanding shares of Tweed, respectively. After closing of the Transaction Messrs. Linton and Rifici are expected to hold approximately 10.8% and 23.2% of the outstanding shares of Tweed Marijuana Inc., respectively (or 10.32% and 22.21%, respectively, if the Tweed Rights convert).

Based on the price at which Tweed common shares were issued in connection with a private placement completed by Tweed on March 7, 2014 (see below under the heading “Tweed Private Placements”), the transaction price per LW CPI common share to be issued is \$0.89. Such price gives the LW CPI common shares to be issued on closing an aggregate value of \$28,517,924 (or \$29,920,179 if the Tweed Rights convert).

The Transaction does not constitute a Non-Arm’s Length Qualifying Transaction (as such term is defined in the policies of the Exchange). No Insider, promoter or Control Person (as such terms are defined in the policies of the Exchange) of LW CPI has any interest in Tweed prior to giving effect to the Transaction except as follows:

- (a) Deborah Weinstein, a director of LW CPI, holds 365 common shares of Tweed, representing approximately 0.33% of the issued and outstanding common shares of Tweed, through Deborah Weinstein Professional Corporation. Ms. Weinstein acquired such shares on February 5, 2014 in connection with a private placement completed by Tweed on that date.
- (b) Andrew Moffat, a director of LW CPI, beneficially holds 146 common shares of Tweed, representing approximately 0.15% of the issued and outstanding common shares of Tweed, through his family trust. The family trust acquired such shares on February 5, 2014 in connection with a private placement completed by Tweed on that date.

The Transaction is not subject to approval by the shareholders of LW CPI. However, at a meeting of the shareholders of LW CPI held on February 20, 2014 the shareholders of LW CPI approved the consolidation of the outstanding shares of LW CPI on a 1 for 5 basis and approved the change of name to Tweed Marijuana Inc. on closing of the Transaction. The Transaction is subject to approval by the shareholders of Tweed which will be sought at a meeting of the shareholders of Tweed to be held on March 20, 2014.

Further details about the Transaction and the combined entity will be provided in the filing statement to be prepared and filed in respect of the Transaction.

### **Tweed Private Placements**

On December 27, 2013 Tweed completed a brokered private placement of 21,900 “Units” at a price of \$137.00 per Unit for aggregate gross proceeds of \$3,000,300. On January 30, 2014 Tweed completed a brokered private placement of 7,297 Units at a price of \$137.00 per Unit for aggregate gross proceeds of \$999,689. On February 5, 2014 Tweed completed a non-brokered private placement of 10,526 Units at a price of \$137.00 per Unit for aggregate gross proceeds of \$1,442,062. On March 7, 2014 Tweed completed a brokered private placement of 34,211 Units at a price of \$190.00 per Unit for aggregate gross proceeds of \$6,500,090. GMP Securities LP acted as agent on each of the brokered private placements.

Each Unit was comprised of one Tweed common share and one Tweed “Right”. In the event that the Transaction, or an alternative liquidity event that provides the holder of such Tweed Right with freely tradable securities, does not occur prior to 5:00 p.m. on March 31, 2014, the Tweed Rights entitle the holder to receive, for no additional consideration, the number of additional Tweed common shares that is equal to 10% of the total number of Tweed common shares subscribed for in the private placements described above by such holder (provided that no fractional shares will be issued).

### **Proposed Insiders**

The following individuals are currently proposed to be insiders of Tweed Marijuana Inc. after closing of the Transaction:

#### *Bruce Linton*

Bruce Linton is Chairman of Tweed and is proposed to serve as Chairman and a director of Tweed Marijuana Inc. Mr. Linton has had experience as a director and officer of publicly listed companies. Mr. Linton is 47 years old and holds an honours BPA degree from Carleton University.

#### *Charles Rifici*

Charles Rifici is the President and CEO of Tweed and is proposed to serve as President, CEO and a director of Tweed Marijuana Inc. Mr. Rifici has experience as an officer of publicly listed companies. Mr. Rifici is 39 years old and holds a Baccalaureate in Applied Science, Computer Engineering from the University of Ottawa and a Masters of Business Administration from Queen’s University. Mr. Rifici is a Certified Management Accountant.

### *Mark Zekulin*

Mark Zekulin is the VP Community Engagement and General Counsel of Tweed and is proposed to hold the same role with Tweed Marijuana Inc. Mr. Zekulin has practiced law and held government policy positions in the past. Mr. Zekulin is 34 years old and holds a Bachelor of Mathematics from the University of Waterloo, a Bachelor of Laws from the University of Ottawa and a Master in Law from the University of Cambridge. Mr. Zekulin is called to the bar of Ontario as a member of the Law Society of Upper Canada.

### *Gerald Leahy*

Gerald Leahy is proposed to be the Chief Financial Officer of Tweed Marijuana Inc. Mr. Leahy has served in similar positions with other publicly listed companies. Mr. Leahy is 57 and holds a B. Comm from Carleton University. Mr. Leahy is a Certified Management Accountant.

### *Chris Schnarr*

Chris Schnarr is proposed to be a director of Tweed Marijuana Inc. Mr. Schnarr is Managing Director of Lorian Group Inc and has experience as a director and officer of publicly listed companies. Mr. Schnarr is 47 years old and holds a BBA from Wilfred Laurier University and an MBA from the University of British Columbia.

### *Andrew Moffat*

Andrew Moffat is a director of LW CPI and is proposed to continue as a director of Tweed Marijuana Inc. Mr. Moffat is CEO of Keshet Productions Inc., is age 61 and holds a B. Admin from University of Regina.

### *Larry Poirier*

Larry Poirier is the CEO and a director of LW CPI and is proposed to continue as a director of Tweed Marijuana Inc. Mr. Poirier is President of TUC Brands, is age 48 and holds an MBA from Queen's University.

### *Deborah Weinstein*

Deborah Weinstein is a director of LW CPI and is proposed to be the Secretary of Tweed Marijuana Inc. Ms. Weinstein is a partner with LaBarge Weinstein LLP and has experience as a director and officer of publicly listed companies. Ms. Weinstein is 54 and holds a law degree from Osgoode Hall Law School at York University. Ms. Weinstein is called to the bar of Ontario as a member of the Law Society of Upper Canada.

## **Tweed Financial Information**

During its financial year ended December 31, 2013 Tweed had no sales and a net loss of \$932,925. As at December 31, 2013 Tweed had total assets of \$5,153,439 and total long term liabilities of \$35,099. The foregoing financial information is unaudited.

### **Sponsorship**

It is expected that pursuant to the policies of the Exchange the Transaction will be exempt from the requirement to engage a sponsor to provide a Sponsor Report to the Exchange due to the fact that Tweed completed a private placement on March 7, 2014 (as described above) in contemplation of the Transaction, being a concurrent brokered financing of at least \$500,000, and GMP Securities LP, which acted as agent in such private placement, will provide the Exchange with confirmation that it has completed appropriate due diligence on both the Transaction and the filing statement that is generally in compliance with the relevant policies of the Exchange.

### **Trading in the Shares of LW CPI**

Trading in the common shares of LW CPI was halted as of January 2, 2014 and will remain halted until the Transaction is completed and approved by the Exchange. Following closing of the Transaction, Tweed Marijuana Inc. is expected to trade on the Exchange under the symbol "TWD".

### **Conditions to Transaction**

Completion of the Transaction is subject to a number of conditions, including but not limited to acceptance by the Exchange and, if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Other conditions to completion of the Transaction include:

- Preparation and filing of a filing statement outlining the definitive terms of the Transaction in accordance with the rules of the Exchange.
- Receipt of all director, shareholder and requisite regulatory approvals relating to the Transaction, including, without limitation, Exchange approval.

- Any person who will be a post-closing shareholder of Tweed Marijuana Inc. which is required by the Exchange to sign an escrow agreement in accordance with the policies of the Exchange shall have signed and delivered such agreement.
- Each of LW CPI and Tweed shall have executed, delivered and performed all covenants on its part to be performed under the Definitive Agreement and all representations and warranties of each party contained in the Definitive Agreement shall be true and correct at the time of closing.
- At the time of closing the Transaction, Tweed's license to produce and sell medical marijuana must be in effect and in good standing.

### **Forward-Looking Information**

This press release contains forward-looking information based on current expectations. Statements about the closing of the Transaction, expected terms of the Transaction, the number of securities of LW CPI that may be issued in connection with the Transaction, the ownership ratio of LW CPI post closing, the requirement to hold shareholder approval and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. LW CPI and Tweed assume no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

***Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

### **For further information:**

Bruce Linton  
Chairman  
Tweed Inc.  
(613) 799-1110

Deborah Weinstein  
Director  
LW Capital Pool Inc.  
(613) 599-9600 ex 202