FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 — Name and Address of Company

Scythian Biosciences Corp. (the "**Corporation**")
100 King Street West
Suite 5600
Toronto Ontario M5X 1C9

Item 2 — Date of Material Change

July 17, 2018

Item 3 — News Release

A news release disclosing the material change was issued by the Corporation on July 17, 2018 through the services of GlobeNewswire.

Item 4 — Summary of Material Change

On July 17, 2018, the Corporation announced that it had entered into a definitive share purchase agreement with Aphria Inc. ("**Aphria**") to sell certain business interests in Argentina, Colombia and Jamaica, each of which the Corporation is currently in the process of acquiring in accordance with previously-announced binding agreements, to Aphria for a purchase price of CAD$193 million plus the assumption of USD$1 million in aggregate liabilities owing to the Corporation (the "**Transaction**").

Item 5 — Full Description of Material Change

5.1 — Full Description of Material Change

On July 17, 2018, the Corporation announced that it had entered into a definitive share purchase agreement (the "**Share Purchase Agreement**") with Aphria to sell certain business interests in Argentina, Colombia and Jamaica, each of which the Corporation is currently in the process of acquiring in accordance with previously-announced binding agreements, to Aphria for a purchase price of CAD $193 million plus the assumption of USD $1 million in aggregate liabilities owing to the Corporation (collectively, the "**Consideration**"). To satisfy the CAD $193 million component of the Consideration, Aphria will issue to the Corporation 15,678,310 common shares in the capital of Aphria ("**Aphria Shares**") at a deemed price per share of CAD$ 12.31, representing the volume weighted average trading price of the Aphria Shares on the Toronto Stock Exchange ("**TSX**") for the 20 trading days immediately preceding the date of the Share Purchase Agreement. The remaining component of the Consideration will be satisfied by Aphria assuming aggregate liabilities owing to the Corporation by the target Argentine, Colombian and Jamaican businesses equal to USD$1 million.

In accordance with the terms of the Share Purchase Agreement, following the completion of the acquisitions of the target Argentine, Colombian and Jamaican businesses, each business will be transferred to a wholly-owned subsidiary of the Corporation, LATAM Holdings Inc., whose common shares will then be sold to Aphria upon closing of the Transaction.

The Transaction is subject to a number of closing conditions including, among other things, receipt of various regulatory and stock exchange approvals, the completion of the acquisitions of the target Argentine, Colombian and Jamaican businesses by the Corporation, the entry into employment and/or consulting agreements by certain employees and consultants of the target companies, the Corporation executing a three (3) year non-competition and confidentiality agreement with Aphria in respect of Argentina, Colombia and Jamaica and the approval of the Transaction by the shareholders of the Corporation (as further discussed below). The Share Purchase Agreement also provides for, among other things, a non-solicitation covenant on the part of the Corporation, as well as a "fiduciary out" provision that entitles the Corporation to consider and accept a superior proposal, and a right in favour of Aphria to match any superior proposal. If the Share Purchase Agreement is terminated in certain circumstances, including if the Corporation enters into a definitive agreement with respect to a superior proposal, Aphria is entitled to a break-fee payment of CAD $5.8 million. The Transaction is anticipated to close on or about September 30, 2018 or such later date as provided in the Share Purchase Agreement, but in any event, no later than December 31, 2018.

The target Argentine business is ABP, S.A. ("**ABP**"), a pharmaceutical import and distribution company based in the Argentine Republic that is wholly-owned by MMJ International Investments Inc., a privately-held British Columbia corporation. The Corporation previously announced its proposed acquisition of ABP on March 12, 2018. ABP is an established pharmaceutical company with sustained revenues and holds a license to import cannabidiol ("**CBD**") oil into Argentina for medical research purposes. ABP has also partnered with the Dr. Juan P. Garrahan Paediatric Hospital, a pediatric hospital in Buenos Aires, for a clinical study on the treatment of refractory epilepsy in children using pharmaceutical grade CBD oil, and with Universidad Nacional De La Plata to support advances in medical cannabis research and education. The Corporation will acquire all of the issued and outstanding common shares of MMJ International Investments Inc., thereby indirectly acquiring ABP. In consideration, the Corporation will issue 6,176,320 of its common shares to the selling shareholders of MMJ International Investments Inc.

The target Colombian business is Colcanna S.A.S ("**Colcanna**"), a medical cannabis producer based in the Republic of Colombia. Colcanna holds a license to cultivate non-psychoactive CBD and additional licenses for the extraction, production and research for the local market and export to international markets of cannabis derivatives. Colcanna has also applied for additional licenses to cultivate, produce, research and export tetrahydrocannabinol ("**THC**") extracts. It is the first company to be granted a license to cultivate medicinal cannabis extracts in the region of the country commonly referred to as the "Colombian coffee zone". MMJ Colombia Partners Inc., a privately-held Ontario company, is in the process of acquiring 90% of Colcanna. Upon MMJ Colombia Partners Inc. completing its 90% acquisition of Colcanna, the Corporation will complete its acquisition of MMJ Colombia Partners Inc., thereby indirectly acquiring Colcanna. In consideration, the Corporation will: (i) pay USD $1.2 million in cash to the selling shareholders of MMJ Colombia Partners Inc.; (ii) issue CAD $32 million in common shares of the Corporation to the selling shareholders based on a 20 day volume weighted average trading price on the TSX Venture Exchange prior to closing, provided that no fewer than 6,280,000 common shares of the Corporation are issued to satisfy this component of the purchase price; and (iii) assume USD $5 million in unsecured, non-interest bearing promissory notes with due dates ranging from July 31, 2018 to March 19, 2019, the repayments of which may, at the option of the Corporation, be made in cash or by the issuance of additional common shares.

The target Jamaican business is Marigold Projects Jamaica Limited ("**Marigold**"), a medical cannabis company in Jamaica of which 49% of the outstanding voting equity of the company is indirectly owned by Marigold Acquisitions Inc., a privately-held British Columbia corporation. The Corporation previously announced its proposed acquisition of Marigold on March 22, 2018. Marigold holds a "tier 3" license in Jamaica to cultivate more than five acres of land with cannabis for medical, scientific and therapeutic purposes. Marigold also holds conditional licenses in Jamaica for the manufacturing of medical cannabis-based products, the operation of herb house retail stores to sell medical cannabis, including to tourists, a therapeutic retail license to provide therapeutic or spa services utilizing medical cannabis products, and a research and development license. Marigold Acquisitions Inc. is also entitled to 95% of Marigold's net profits pursuant to an intellectual property licensing agreement between Marigold and a wholly-owned subsidiary of Marigold Acquisitions Inc. The Corporation will acquire all of the issued and outstanding common shares of Marigold Acquisitions Inc., thereby indirectly acquiring 49% of Marigold. In consideration, the Corporation will issue 6,000,000 of its common shares to the selling shareholders of Marigold Acquisitions Inc.

In connection with the completion of the Transaction and in accordance with the terms of the Share Purchase Agreement, the Corporation will grant Aphria a right of first refusal/right of first option in relation to a target Brazilian business. In the event the Corporation is able to successfully negotiate an acquisition of a cannabis business in the country of Brazil ("**BrazilCo**"), Aphria will have the right to purchase, in one or more separate tranches, up to 90% of the issued and outstanding common shares of BrazilCo (the "**Brazil Option**"). If the Brazil Option is exercised, Aphria will purchase 50.1% of outstanding equity of BrazilCo for an aggregate price of US$24 million and the remaining 20% to 39.9% of the equity of BrazilCo will be purchased by Aphria at the fair market value of such equity at the time of purchase. The Brazil Option exercise price will be satisfied by the issuance of Aphria Shares at a price per share equal to the volume weighted average trading price of the Aphria Shares on the TSX for the 20 trading days immediately preceding the closing of the acquisition by Aphria of at least 50.1% of the equity of BrazilCo. If the Corporation receives a third party offer for BrazilCo (or any portion thereof), Aphria will have the right to match such third party offer.

The proceeds from the Transaction will provide additional funding for the Corporation's research and development and allow the Corporation to pursue and evaluate medical cannabis opportunities in other countries with emerging regulations that permit the legal cultivation, distribution or use of medical marijuana.

Aphria is a securityholder of the Corporation. As of the date of the Share Purchase Agreement, Aphria held 2,688,500 common shares of the Corporation (or 9.09% of the issued and outstanding common shares of the Corporation) and 672,125 warrants to acquire common shares of the Corporation (and therefore 18.18% of the issued and outstanding common shares of the Corporation on a partially diluted basis). As a result, Aphria is considered a "related party" of the Corporation and the Transaction constitutes a "related party transaction" of the Corporation pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), making the Transaction subject to the minority approval and formal valuation requirements under MI 61-101. The Corporation will seek the approval of the Transaction from its shareholders (other than Aphria and its related parties) at a special meeting to be held no later than September 15, 2018. In order for the Transaction to proceed, it must be approved by not less than a simple majority of the votes cast by shareholders at the meeting and a simple majority of the votes cast by shareholders at the meeting excluding, for this purpose, votes attached to common shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101.

The board of directors of the Corporation (the "**Board**") has, after receiving legal and financial advice, unanimously approved the Transaction. In so doing, it unanimously determined that the entering into of the Share Purchase Agreement was in the best interests of the Corporation. The Board also unanimously determined to recommend that shareholders of the Corporation (other than Aphria and its affiliates) vote their common shares in favour of the Transaction.

The Board was advised on the Transaction by each of Haywood Securities Inc. ("**Haywood**"), who was independent of the Corporation, and Clarus Securities Inc. ("**Clarus**"), who was not independent of the Corporation (as determined under MI 61-101). Each of Haywood and Clarus delivered an opinion to the Board indicating that the Consideration payable to the Corporation pursuant to the Transaction was fair, from a financial point of view, to the Corporation. The Board also received a formal valuation from Haywood prepared in accordance with the requirements under MI 61-101 indicating that the fair market value of the issued and outstanding common shares of LATAM Holdings Inc. is in the range of CAD $180 million to CAD $200 million. The fairness opinions of Haywood and Clarus, as well as the formal valuation of Haywood, will be summarized and included in the information circular that is being prepared in connection with the special meeting, which will be filed with the Canadian securities regulators and will be available on SEDAR at www.sedar.com. The Board did not receive any prior valuations of any of the assets or businesses comprising the subject matter of the Transaction.

The Board is recommending that the Corporation's shareholders (other than Aphria and its affiliates) vote in favour of the Transaction. Certain directors, officers and shareholders of the Corporation, collectively holding 42.7% of the Corporation's common shares as at the date hereof, have entered into support and voting agreements pursuant to which they intend to vote all of their common shares in favour of the Transaction and against any resolution submitted by any other shareholder that is inconsistent therewith. These are irrevocable hard lock-ups (i.e. they cannot be terminated in the event of a superior proposal).

Immediately following the closing of the Transaction (and assuming the issuance of approximately 8,000,000 common shares in connection with the purchase of Colcanna at a deemed price of $4.00 per share and without giving any effect to the Brazil Option), it is expected that Aphria will hold approximately 5.4% of the common shares of the Corporation on a non-diluted basis and 8.76% on a fully diluted basis. In addition, certain directors and officers of Aphria comprised of Victor Neufeld, Cole Caciavillani, John Cervini, Renah Persofsky and Gary Leong collectively hold, to the knowledge of the Corporation, directly and indirectly, 110,496 common shares and 215,887 warrants of the Corporation, representing approximately 0.53% of the Corporation on a fully diluted basis.

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

Rob Reid
Chief Executive Officer (212) 729-9208

Item 9 — Date of Report

July 27, 2018

Forward-Looking Information

*This document contains certain forward-looking information and statements ("**forward-looking information**") within the meaning of applicable Canadian securities legislation, that are not based on historical fact, including without limitation, statements containing the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "continue", "estimate", "forecasts" and other similar expressions. Such forward-looking information includes information relating to the terms and conditions of the proposed Transaction including the Brazil Option, the expected impact of the proposed Transaction on the Corporation's financial position and business; the expected proportionate ownership of the Corporation by Aphria and certain directors and officers of Aphria following the closing of the proposed Transaction and the special meeting of the Corporation's shareholders to consider the Transaction.*

In developing the forward-looking information, the Corporation has assumed, among other things, that the legal cultivation, distribution and use of medical cannabis products will continue in a growing number of international jurisdictions, that the global market for medical cannabis products will increase and that Aphria remains and will remain a leader in cultivating and distributing pharmaceutical grade cannabis products in Canada and other markets.

Readers are cautioned to not place undue reliance on forward-looking information. Forward-looking information is subject to a number of risks and uncertainties that may cause actual results or events to differ materially from those contemplated in the forward-looking information, and even if such actual results or events are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Corporation. Such risks and uncertainties include, among other things: that a regulatory approval that may be required for the Transaction is not obtained or is obtained subject to conditions that are not anticipated including applicable stock exchange approvals; that the Corporation is unable to complete the acquisitions of the target businesses in Argentina, Colombia and Jamaica or to do so on a timely basis; and that the Corporation fails to obtain the necessary shareholder approval in accordance with applicable securities laws.

Although the Corporation has attempted to identify important factors that could cause actual results or events to differ materially from those contained in the forward-looking information, there can be other factors that cause results or events to not be as anticipated, estimated or intended, including, but not limited to: the Corporation's ability to comply with all applicable governmental regulations in a highly regulated business; investing in target companies or projects which have *limited or no operating history and are engaged in activities currently considered illegal under US federal laws; changes in laws; limited operating history; competition; reliance on management; requirements for additional financing; inconsistent public opinion and perception regarding the medical-use and adult-use marijuana industry and; regulatory or political change. Additional risk factors can also be found in the Corporation's annual information form filed on SEDAR and available at www.sedar.com.*

The forward-looking information contained in this press release are expressly qualified by this cautionary statement and are made as of the date hereof. The Corporation disclaims any intention and has no obligation or responsibility, except as required by law, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.