No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering (as defined herein) may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

Offering Document under the Listed Issuer Financing Exemption

August 13, 2025

LEEF BRANDS INC.
(the "Company" or "LEEF")

SUMMARY OF OFFERING

What are we offering?

The Offering	A "best efforts" private placement of up to 8,363,560 units of the Company ("**Units**"), at a price of $0.25 per Unit (the "**Offering Price**"), for gross proceeds of up to $2,090,890 (the "**Offering**") pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**"). Each Unit shall consist of one common share in the capital of the Company ("**Common Share**") and one Common Share purchase warrant of the Company ("**Warrant**"). Each Warrant will entitle the holder thereof to acquire one additional Common Share ("**Warrant Share**") at a price of $0.30 per Warrant Share for a period of 24 months from the Closing Date (as defined herein). Subject to the listing requirements of the Canadian Securities Exchange (the "**CSE**"), it is the intention of the Company to have the Warrants listed on the CSE upon closing of the Offering. The Company has granted the Agents (as defined herein) an option to offer for sale up to an additional 15% of the Units, at the Offering Price, exercisable in whole or in part on the Closing Date with at least 48 hours' notice to the Company prior to the Closing Date (the "**Agents' Option**").
Offering Price	$0.25 per Unit.
Minimum/Maximum Offering	The minimum offering shall be $1,000,000 and the maximum offering shall be $2,090,890
Closing Date	The Offering is expected to close on or about August 15, 2025 (the "**Closing Date**") or on such other date or dates as the Company and the Agents may determine. The Offering is not anticipated to close in multiple tranches.

Exchange	The Common Shares are listed on the CSE under the symbol "LEEF.CN" and on the OTCQB trading platform under the symbol "LEEEF."
Last Closing Price	The last closing price of the Common Shares on the CSE on August 12, 2025 was $0.335 and the last closing price of the Common Shares on the OTCQB was US$0.24. As at the date of this Offering Document, there is no market for the Warrants.
Description of Common Shares	The holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of shareholders of the Company except at meetings of which only the holders of another class of shares is entitled to vote. Each Common Share shall entitle the holder thereof to one vote at each such meeting. The holders of Common Shares shall be entitled to receive such dividends payable in cash, stock or property of the Company as may be declared thereon by the directors from time to time but subject to the rights, privileges, restrictions and conditions of any other class of shares issued by the Company. In the event of liquidation, dissolution or winding-up of the Company, holders of the Common Shares shall be entitled to participate in the distribution of assets of the Company subject to the rights, privileges, restrictions and conditions of any other class of shares issued by the Company.

LEEF is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed $10,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This offering document contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "will", "proposes", "expects", "targeted", "possible", "continue", "estimates", "intends", "anticipates" or "believes", or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. Examples of such forward-looking statements in this offering document include, but are not limited to, the intention of the Company to list the Warrants on the CSE upon closing of the Offering, the anticipated closing of the Offering (including the anticipated date or dates of the closing of the Offering), the anticipated effect of the acquisition of Salisbury Canyon Ranch, the anticipated effect of the MSA (as defined herein), the anticipated effect of the acquisition of the Type 1 License (as defined herein), the business objective that the Company expects to accomplish using the available funds raised in connection with the Offering, the expected total available funds to the Company following completion of the Offering and the anticipated use thereof, the anticipated effect of the Offering on the decision to include a going concern note in the Company's audited annual financial statements for the current financial year, the anticipated engagement of the Agents (as defined herein) in connection with the Offering and the anticipated fees and commissions payable to the Agents in connection with the Offering.

These forward-looking statements reflect the current expectations, assumptions or beliefs of the Company based on information currently available to the Company and are based on factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking statements contained in this offering document include, without limitation, that the Company will be able to list the Warrants on the CSE upon closing of the Offering, that the Company will close the Offering (including on the anticipated date or dates), that the effects of the acquisition of Salisbury Canyon Ranch will be as anticipated, that the effects of the MSA will be as anticipated, that the effects of the acquisition of the Type 1 License will be as anticipated, that the Company will accomplish its expected business objective using the available funds raised in connection with the Offering, that the total available funds to the Company following completion of the Offering and the use thereof will be as anticipated, that the effect of the Offering on the decision to include a going concern note in the Company's audited annual financial statements for the current financial year will be as anticipated, that the Agents will be engaged on the anticipated terms and that the fees and commissions payable to the Agents in connection with the Offering will be as anticipated.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance or developments could differ materially from those anticipated in such statements. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. The factors identified above are not intended to represent a complete list of the factors that could affect the Company.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or developments to be materially different from any future results, performance or developments expressed or implied by the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Prospective investors should consider the risk factors set forth below, as well as risks described in the Company's most recent management discussion and analysis filed on our SEDAR+ profile at www.sedarplus.ca. Risks which may impact the forward looking information contained in this offering document include but are not limited to, the Company being unable to raise sufficient financing from investors and electing not to complete the Offering; costs, timing and the results that may be obtained in relation to the Company's business plans and operations; general political and economic conditions; public opinion and perception of the cannabis industry; reliance on the expertise and judgment of senior management of the Company, and the ability to retain such senior management; the Company's ability to obtain additional funding; the Company's history of losses and negative cashflow, which may continue into the foreseeable future; general competitive, political and social uncertainties including recession, interest rate hikes, trade disputes, war and other factors; and public health crises and other uninsurable risks.

The forward-looking information contained in this offering document is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Currency

All references to $ or dollars herein are to Canadian dollars. All references to US$ or US dollars herein are to US dollars.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

LEEF is a vertically integrated cannabis extraction and manufacturing operator based in California. With cutting-edge processing facilities and a large-scale cultivation strategy, LEEF supports both business-to-business partnerships and brand-driven concentrate supply.

Since acquiring a 1,900-acre "trophy" property in Santa Barbara County in 2023, LEEF has built a vertically integrated cannabis platform spanning cultivation, extraction, and manufacturing initial 65 acres of cultivation planted in 2025 on Salisbury Canyon Ranch mark a pivotal shift—allowing LEEF to grow its own biomass and reduce input costs by an estimated 40–60%; full-scale cultivation is anticipated to reach 187 acres by 2027.

On the extraction front, the Company operates state-of-the-art closed-loop facilities capable of producing more than 1 million pounds of concentrates annually. In early 2025, it executed expansions across all three extraction lines – ethanol (+66%), solventless (+50%), and hydrocarbon (+38%) – boosting overall capacity and positioning LEEF as a key supplier in California's US$4.2 billion legal cannabis market, with presence in nearly half of product categories.

LEEF's revenue model centers on bulk business-to-business concentrate supply, powering major brands across California while forging white-label agreements and partnerships with over 250 farms. This operational foundation has yielded growing revenues and margins since inception.

Recent developments

The following is a brief summary of key recent developments involving or affecting the Company:

- On April 17, 2025, the Company announced it had acquired cultivation licenses to cultivate 65 acres of cannabis material on the Salisbury Canyon Ranch, a 1,900 acre ranch located in Santa Barbara, California. As of July 17, 2025, the Company has begun to harvest the first cannabis material and expects to immediately see the benefit of the vertical integration of the supply chain into the Company.
- On May 14, 2025, the Company announced entered into a management services agreement (the "**MSA**") with Glass House Brands, Inc. ("**Glasshouse**"). Under the terms of the MSA, Glasshouse will take over day to day operations of the Company's retail store, The Leaf, located in Palm Desert, California. The agreement includes an off-take agreement from Glasshouse to LEEF, securing a significant portion of the annual raw cannabis material required to power LEEF's extraction lines.

- On June 9, 2025, the Company announced it had acquired a Type 1 Cannabis Processor License in New York (the "**Type 1 License**"). This is a plant-touching license that allows the Company to engage in extraction, blending, and infusion, as well as packaging, labeling, and branding its products. LEEF expects to begin operations in the second half of 2025 in New York.

Material facts

There are no material facts about the Company and the securities being distributed hereunder that have not been disclosed either in this offering document or in any other document filed by the Company in the 12 months preceding the date of this offering document on the Company's profile at www.sedarplus.ca.

What are the business objectives that we expect to accomplish using the available funds?

The business objective that the Company expects to accomplish using the available funds raised in connection with the Offering is to support the Company's growth through increased working capital for general working capital purposes. There are no significant events which must occur in order to accomplish this business objective.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

The expected total available funds to the Company following completion of the Offering are estimated to be as follows:

		Assuming Minimum Offering(5)	Assuming 100% of Offering(5)
A	Amount to be raised by this Offering	$1,000,000	$2,090,890
B	Selling commissions and fees (1)	$70,000	$146,362
C	Estimated offering costs (e.g., legal, accounting, audit) (2)	$50,000	$50,000
D	Net proceeds of offering: D = A - (B+C)	$880,000	$1,894,528
E	Adjusted working capital as at most recent month end (deficiency) (3)	$376,788	$376,788
F	Additional sources of funding (4)	$0	$0
G	**Total available funds: G = D+E+F**	**$1,256,788**	**$2,271,315**

Notes:

(1) See "*Fees and Commissions*" below. Assumes a 7% cash commission associated with each Unit sold other than in respect of proceeds from the sale of Units to certain "president's list" purchasers (the "**President's List**"), for which a 3% commission will be payable. The stated amount assumes no purchasers from the President's List.

(2) Includes the estimated legal fees of the Offering.

(3) Amount provided is unaudited and calculated using a USD/CAD FX rate of 1.3785 per the Bank of Canada rate as of August 11, 2025. The Company's estimated working capital as of June 30, 2025 is approximately ($376,788). In calculating the Company's adjusted working capital for the next 12 months, management has adjusted the following item:

a. The Company does not expect any material tax outflows over the next 12 months. LEEF has not filed tax returns for fiscal years 2021 through 2024. As a result, although approximately $19.2 million of taxes payable has been accrued, a substantial portion relates to disallowed expenses under Section 280E of the U.S. Internal Revenue Code. LEEF has adopted a “wait-and-see” strategy consistent with a number of U.S. cannabis industry peers, each of which has challenged the constitutionality of Section 280E. Based on these developments, the Company has taken the position that Section 280E may ultimately be deemed inapplicable and has therefore deferred payment of the related amounts.

(4) Exclusion of approximately $3.55 million and $1.3 million respectively, representing the current portion of related party notes payable and notes payable due within the next 12 months. The Company is in active discussions with its lenders to refinance these obligations and extend maturities beyond the current financial year and, while formal deferral agreements have not yet been executed, all parties have verbally agreed to defer due amounts beyond the next 12 months. While the adjusted working capital figure and the above noted exclusions are deemed reasonable and expected by management of the Company as at the date of this Offering Document, the exclusions are contingent upon future events that may or may not occur. Please see "*Cautionary Statement Regarding Forward Looking Information*" in this Offering Document for treatment of such forward looking information.

(5) Assumes no exercise of the Agents' Option.

How will we use the available funds?

Description of intended use of available funds listed in order of priority	**Assuming Minimum Offering**[(1)]	**Assuming 100% of Offering**[(1)]
Working capital purposes	$1,256,788	$2,271,315
Total: Equal to G in the available funds in item 8[(1)]	**$1,256,788**	**$2,271,315**

Notes:

(1) Assumes no exercise of the Agents' Option.

The Company's audited annual financial statements for the years ended December 31, 2024 and 2023 include a going concern note. The Offering makes it less likely that a going concern note will be required in the annual financial statement for 2025 by bolstering the Company's available working capital.

The above noted allocation of capital and anticipated timing represents the Company's current intentions with respect to its use of proceeds based on the current expectations of management of the Company, which could change in the future as its plans and business conditions evolve. Although the Company intends to spend the proceeds from the Offering as set forth above, there may be circumstances where a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan. See the "*Cautionary Statement Regarding Forward-Looking Information*" section above.

How have we used the other funds we have raised in the past 12 months?

Disclosure Made About Use of Funds in Prior Financing from Past 12 Months	**Variances and Explanation of Any Such Variances**	**Impact of Variances on Company's Ability to Achieve Objectives and Milestones**
In connection with the December 12, 2024 private placement offering (the "**Private Placement**") of 8,473,500 units of the Company, at a price of $0.25 per unit, for aggregate gross proceeds of $2,118,375, the	None. The net proceeds were used to plant the Salisbury Canyon Ranch and for the purchase of a Type 1 Processor license in New York, which constituted the pursuit of new market opportunities in line with	Not applicable

Disclosure Made About Use of Funds in Prior Financing from Past 12 Months	Variances and Explanation of Any Such Variances	Impact of Variances on Company's Ability to Achieve Objectives and Milestones
Company disclosed in a news release dated December 12, 2024 that the net proceeds of the Private Placement would be used to support the Company's growth initiatives, including the completion of Salisbury Canyon Ranch and the pursuit of new market opportunities in line with the Company's expansion plans, and general working capital purposes.	the Company's expansion plans.	

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

Agents	The Company may engage a syndicate of agents to be formed (collectively, the "**Agents**")
Compensation	In connection with the closing of the Offering, the Agents shall receive a Commission and the Broker Warrants (each as defined and further described herein).
Cash Commission	The Company shall pay to the Agents a cash commission equal to 7% of the gross proceeds of the Offering (the "**Commission**"), estimated to be up to $133,105 assuming closing of the full Offering, no exercise of the Agents' Option and no President's List purchasers.
Broker Warrants	The Company shall also issue to the Agents that number of broker warrants (each a "**Broker Warrant**"), equal to 7 % of the number of Units sold pursuant to the Offering. Each Broker Warrant shall entitle the holder thereof to acquire one Unit exercisable at the Offering Price for a period of 24 months from the Closing Date. It is estimated that the Company will issue up to 487,874 Broker Warrants to the Agents assuming closing of the full Offering, no exercise of the Agents' Option and no President's List purchasers.
President's List	For sales made to President's List purchasers, the Commission payable to the Agents shall be reduced to 3% and the number of Broker Warrants issuable to the Agents shall be reduced to 3%.

Does the Agent have a conflict of interest?

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to the Agents, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this offering document, you have a right

a) **to rescind your purchase of these securities with the Company, or**

b) **to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

Securityholders can access the Company's continuous disclosure filings on SEDAR+ at www.sedarplus.ca under the Company's profile.

For further information regarding the Company, visit our website at www.leefbrands.com.

Investors should read this offering document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment of Units.

CERTIFICATE OF THE COMPANY

This offering document, together with any document filed under Canadian securities legislation on or after August 13, 2024, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

August 13, 2025

"*Micah Anderson*"	"*Kevin J. Wilson*"
Micah Anderson Chief Executive Officer	Kevin J. Wilson, CPA Chief Financial Officer