LiveWell

FORM 51-102F3
Material Change Report
April 8, 2019

1. **Name and Address of Company**
LiveWell Canada Inc.
1400-340 Albert Street
Ottawa, ON, K1R 0A5

2. **Date of Material Change**
March 29, 2019

3. **New Release**
A news release via Global Newswire on April 2, 2019. A copy was filed on SEDAR on April 3, 2019.

4. **Summary of Material Change**
LiveWell Canada Inc. ("LiveWell") closed its 100% acquisition of Acenzia Inc. ("Acenzia") for a total consideration of $12 million plus an additional $8 million subject to achieving performance milestone in 2019.

5. **Full Description of Material Change**

On December 14, 2018, LiveWell entered a definitive agreement to acquire all of Acenzia's outstanding and issued shares for a total consideration of $20 million, including $8 million contingent on achieving performance milestone in 2019. On this day, LiveWell took control of Acenzia as a result of replacing its officers and directors with LiveWell's CEO and CFO. On March 29, 2019, LiveWell closed this acquisition.

This acquisition is part of LiveWell's strategy to become a fully integrated global CBD life sciences company. LiveWell intends to leverage Acenzia's state-of-the-art manufacturing capabilities and distribution networks within the supplements markets to deliver health and wellness products to targeted consumer markets.

Business Description of Acenzia

Strategically located 15 kilometres from the Canada-U.S. border, in Tecumseh, Ontario, Acenzia researches and manufactures next-generation natural health products, such as powders, sports drinks, functional foods, probiotics and other therapeutics, as well as individualized diagnostics. Acenzia's 30,000 square foot facility includes 20 state of the art pharmaceutical grade clean rooms. It is certified by Health Canada and has NSF certifications for Good Manufacturing Practices (GMP), for Sport, is a USDA-Certified Organic Manufacturer and is an FDA-registered facility.

Acenzia has several breakthroughs, including:

- a global-patented in-vivo zebrafish research model for pre-clinical trials
- an easy-to-access diagnostic toolkit that enables consumers to measure product efficacy at an individual level
- a new patent-pending delivery technology (oral time-released pouch) for the sports nutrition market in a partnership with PRO-DIP. The company is entering a 10-year exclusive manufacturing agreement for this technology, and receives 6% of gross sales revenue
- the first-ever evidence-based nutritional supplement manufactured with batch-to-batch efficacy

Blending science and advanced manufacturing, Acenzia is an innovator in rapid product development, as well as personalized diagnostics and therapeutics specific to particular ailments. LiveWell believes these capabilities will further its stated business goals in health-related research in cannabis and hemp, and product development.

Transaction Summary

The purchase consideration comprised the following:

- $2.0 million promissory notes bearing interest at 10% per annum and maturing on June 30, 2019;
- $10 million of LiveWell's common shares; and
- $8 million of LiveWell's common shares held in escrow, subject to achieving the minimum adjusted EBITDA in calendar 2019 as defined in the definitive agreement.

The settlement in LiveWell's common shares was set at $0.84 each, based on the 20-day weighted average up to November 30, 2018 as stipulated in the definitive agreement. Accordingly, 21,428,571 common shares were issued to Acenzia's shareholders, of which 9,523,810 common shares are held in escrow subject to achieving performance milestone as noted above.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102 and Omitted Information

None

7. Omitted Information

No material omitted information.

8. Executive Officer

For further information, please contact Steven Archambault, CFO and CAO at 819-718-2042.

9. Date of Report

April 8, 2019

Sincerely,

Steven Archambault
Chief Financial Officer