MATERIAL CHANGE REPORT
FORM 51-102F3

Item 1. Name and Address

SLANG Worldwide Inc. (the “**Company**”)
77 King Street West, Suite 400
Toronto, Ontario M5K 0A1

Item 2. Date of Material Change

January 22, 2019

Item 3. News Release

The news release describing the material change was disseminated on January 22, 2019 through newswire services and filed on SEDAR.

Item 4. Summary of Material Change

On January 22, 2019, the Company announced the delivery of an escrow release notice (the “**Escrow Release Notice**”) to Odyssey Trust Company (the “**Subscription Receipt Agent**”) pursuant to the terms of a subscription receipt agreement dated September 26, 2018 between the Company, the Subscription Receipt Agent and Canaccord Genuity Corp. (the “**Subscription Receipt Agreement**”) confirming that the Company had satisfied all of the escrow release conditions set out in the Subscription Receipt Agreement.

In connection with the delivery of the Escrow Release Notice, the escrowed funds held by the Subscription Receipt Agent, less certain commissions and expenses, were released from escrow in order to allow the Company to, among other things, acquire: (i) all of the interests and equity in National Concessions Group, Inc. (“**Organa Brands**”) from the existing security holders of Organa Brands; and (ii) all of the interests and equity in NWT Holdings, LLC (“**Firefly**”) from the existing security holders of Firefly.

Also in connection with the delivery of the Escrow Release Notice, 43,998,590 subscription receipts of the Company (the “**Subscription Receipts**”) were automatically converted, without any further consideration or action by the holders thereof, into 43,998,590 common shares in the capital of the Company (“**Common Shares**”) and 21,999,281 common share purchase warrants (the “**Warrants**”). Each Warrant is exercisable into one Common Share at an exercise price of C$2.25 for a period of 24 months commencing on the date that the Common Shares are listed on the Canadian Securities Exchange (the “**CSE**”), subject to certain acceleration and adjustment provisions, as described in the final (long-form) prospectus of the Company dated January 17, 2019 (the “**Prospectus**”).

The Company received conditional approval from the CSE for the listing of the Common Shares and expects the Common Shares to commence trading on the CSE under the stock symbol “SLNG” at market open on or about January 29, 2019. Listing is subject to the Company fulfilling all listing requirements of the CSE.

Upon obtaining the receipt for the Prospectus, the Company is now a reporting issuer in the Provinces of Ontario, British Columbia, Alberta, Saskatchewan, Québec and Nova Scotia.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

On January 22, 2019, the Company announced the delivery of an Escrow Release Notice to the Subscription Agent pursuant to the terms of the Subscription Receipt Agreement confirming that the Company had satisfied all of the escrow release conditions set out in the Subscription Receipt Agreement.

In connection with the delivery of the Escrow Release Notice, the escrowed funds held by the Subscription Receipt Agent, less certain commissions and expenses, were released from escrow in order to allow the Company to, among other things, acquire: (i) all of the interests and equity in Organa Brands from the existing security holders of Organa Brands (the "**Organa Brands Acquisition**"); and (ii) all of the interests and equity in Firefly from the existing security holders of Firefly (together with the Organa Brands Acquisition, the "**Acquisitions**"). Additionally, pursuant to the Organa Brands Acquisition, the Company was granted an option to acquire all of the outstanding securities of Allied Concessions Group Inc. ("**ACG**") and an option to acquire all of the outstanding securities of NS Holdings, Inc. ("**NCG**"). NSH and ACG are state licensed entities with cannabis related operations further up the supply chain.

The Acquisitions will complement the Company's portfolio of brands in the global cannabis industry, which includes a right of first refusal to license the Green House Brands (Green House Seed Co. and Strain Hunters) in the United States. Management believes that the Company's portfolio of brands is uniquely positioned to thrive in the highly competitive cannabis market, as each brand is built on intellectual property with a proven track record of success. The Company will continue to develop and market best-selling branded products that provide the high quality and consistency valued by loyal and prospective consumers. The Company's products can now be found in over 2,600 stores across 10 US states and 14 countries.

Conversion of the Subscription Receipts

Also in connection with the delivery of the Escrow Release Notice, 43,998,590 Subscription Receipts were automatically converted, without any further consideration or action by the holders thereof, into 43,998,590 Common Shares and 21,999,281 Warrants. Each Warrant is exercisable into one Common Share at an exercise price of C$2.25 for a period of 24 months commencing on the date that the Common Shares are listed on the Canadian Securities Exchange, subject to certain acceleration and adjustment provisions, as described in the Prospectus.

The Common Shares and Warrants (including the Common Shares issuable thereunder) issued upon conversion of the Subscription Receipts were qualified by the Prospectus and are free trading. A copy of the Prospectus and the receipt therefor is available under the Company's issuer profile on SEDAR at www.sedar.com.

The Subscription Receipt Offering was completed by a syndicate of agents co-led by Canaccord Genuity Corp. and Clarus Securities Inc., together with GMP Securities L.P. and Paradigm Capital Inc.

Special Warrant Financing

As previously announced by the Company, on February 21, 2018, the Company completed a brokered private placement of 22,393,366 special warrants (the "**Special Warrants**") at a price of $0.75 per Special Warrant for gross proceeds of approximately

$16.8 million. The Special Warrant financing was co-led by Canaccord Genuity Corp. and Clarus Securities Inc. As a result of penalty provisions attached to the Special Warrants, the Special Warrants automatically converted into 26,872,028 Common Shares and 13,436,005 common share purchase warrants (the "**February Warrants**") on July 21, 2018. Each February Warrant entitles the holder thereof to acquire one Common Share at an exercise price of $1.15 until July 21, 2020, subject to certain acceleration and adjustment provisions, as described in the Prospectus. The Common Shares and February Warrants (including the Common Shares issuable thereunder) are free trading.

Listing of the Common Shares on the CSE and Reporting Issuer Status

The Company received conditional approval from the CSE for the listing of the Common Shares and expects the Common Shares to commence trading on the CSE under the stock symbol "SLNG" at market open on or about January 29, 2019. Listing is subject to the Company fulfilling all listing requirements of the CSE.

Upon obtaining the receipt for the Prospectus, the Company is now a reporting issuer in the Provinces of Ontario, British Columbia, Alberta, Saskatchewan, Québec and Nova Scotia.

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

No information has been omitted in respect of this material change.

Item 8. Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Peter Miller, Chief Executive Officer
1-(833)-752-6499

Item 9. Date of Report

January 29, 2019

Cautionary Note Regarding Forward-Looking Statements

Certain statements included herein, including those that express management's expectations or estimates of the Company's future performance, constitute "forward-looking statements" within the meaning of applicable securities laws. Any statements that are contained in this material change report that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "potential" or the negative of these terms or other similar expressions. Forward-looking statements in this material change report include, but are not limited to, statements with respect to anticipated revenue of the Company, synergies associated with the Acquisitions and the anticipated date for the commencement of trading of the Common Shares on the CSE. Forward-looking statements are based on certain assumptions regarding the Company's expected growth, results of operations, performance, industry trends and growth opportunities. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management at this time, are inherently subject to significant business, economic and competitive risks, uncertainties and contingencies that could cause actual results to differ materially from those expressed or implied in such statements. Investors are cautioned not to put undue reliance on forward-looking statements. Applicable risks and uncertainties include, but are not limited to regulatory risks, changes in laws, resolutions and guidelines, market risks, concentration risks, operating history, competition, the possibility that the Company will be unable to successfully integrate Firefly or Organa Brands' businesses, the risks associated with international and foreign operations, the timing and ability of the Company to satisfy the final listing requirements of the CSE and the other risks identified under the heading "Risk Factors" in the Prospectus, as filed on SEDAR at www.sedar.com. The forward-looking statements contained herein reflect the Company's current views with respect to future events, and except as required by law, the Company does not intend, and undertakes no obligation, to update any forward-looking statements to reflect, in particular, new information or future events, or otherwise.