

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Strategem Capital Corporation (“Strategem” or the “Company”)
Suite 410, 325 Howe Street
Vancouver, BC V6C 1Z7

Item 2. Date of Material Change

July 19, 2018

Item 3. News Release

News Release dated July 19, 2018 were disseminated via Globenewswire and filed on SEDAR on July 19, 2018.

Item 4. Summary of Material Change

On July 19, 2018, the Company announced the commencement of a normal course issuer bid beginning on August 1, 2018.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

For a full description of the material change, see the press releases attached as Schedule “A”.

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

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Kenneth Morgan, President and Chief Executive Officer
Telephone: (604) 692-0073

Item 9. Date of Report

July 26, 2018.

SCHEDULE "A"

NEWS RELEASE

July 19, 2018

STRATEGEM ANNOUNCES NORMAL COURSE ISSUER BID

Vancouver, British Columbia – Strategem Capital Corporation ("**Strategem**" or the "**Company**") (TSXV: SGE) is pleased to announce its intention to commence a normal course issuer bid ("**NCIB**") for up to 216,084 Class A common shares ("**Shares**"), representing up to 5% of its Shares issued and outstanding.

Purchases will be by way of open market purchases through the facilities of the TSX Venture Exchange (the "**Exchange**") and the Company will pay the market price of the Shares at the time of acquisition. The Company will conduct the NCIB through Raymond James Ltd. All Shares purchased by the Company will be subsequently cancelled.

The Company has received approval from the Exchange to commence its NCIB on July 18, 2018. The bid will end on July 31, 2019 or earlier if the number of Shares sought in the NCIB has been obtained. The Company reserves the right to terminate the bid earlier if it determines such action to be appropriate. Although Strategem intends to purchase Shares under its NCIB, there can be no assurance that any such purchases will be completed.

The Company believes that the purchase of the Shares will increase the proportionate interest of, and be advantageous to, all remaining security holders. The normal course purchases will also afford an increased degree of liquidity in the market.

About Strategem Capital Corporation

Strategem is a publicly-traded merchant bank whose investment objective is to provide capital growth through investments in a broad spectrum of diversified investment assets. These investment assets may include securities, mutual funds, government treasury issues, real estate or other related opportunities. Its investments shall be focused, high growth opportunities in private or public companies.

For further information please contact:

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Kenneth Morgan, President and
Chief Executive Officer
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Neither the 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.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. Except as required pursuant to applicable securities laws, the Company will not update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by the Company.

The forward-looking statements contained in this news release present the expectations of the Company as of the date hereof and, accordingly, is subject to change after such date. Readers are cautioned not to place undue reliance on forward-looking statements.