

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Company

1319743 B.C. Ltd. (the "Company" or "Issuer")
1 Adelaide Street, Suite 801
Toronto, ON M5C 2V9

Item 2: Date of Material Change

January 27, 2022

Item 3: News Release

A news release was issued and disseminated on January 27, 2022 and filed on SEDAR (www.sedar.com). A copy of the news release is attached as Schedule "A" hereto.

Item 4: Summary of Material Change(s)

The Issuer completed a share consolidation (the "**Consolidation**") of its common shares (the "**Shares**") by exchanging one (1) new post-Consolidation Share for every three million two hundred sixty seven thousand nine hundred and seventy three (3,267,973) pre-Consolidation Shares as authorized by a resolution passed by the board of directors of the Company (the "**Resolution**") effective January 27, 2022 (the "**Effective Date**") in accordance to the Company's Articles of Incorporation. No fractional shares will be issued as a result of the Consolidation. Shareholders who end up with a fractional interest in the Shares following the Consolidation (i.e. those who hold less than 3,267,973 pre-Consolidation Shares) will receive C\$0.000306 in cash (the "**Cash Consideration**") for each pre-Consolidation Share held and will cease to own any fractional interests in the Shares.

Effective January 27, 2022 the post-Consolidation Shares have been assigned new CUSIP/ISIN numbers: (CA68251Y2078/8251Y207).

The Consolidation constitutes a "business combination" within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). In its consideration and approval of the Consolidation, the board of directors of the Company determined that the Consolidation will be exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis of the exemptions in Sections 5.5(b) and 5.7(g) of MI 61-101.

Item 5.1: Full Description of Material Change

See attached news release at Schedule "A" to this report.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6: Reliance on subsection 7.1(2) of National Instrument 51-102 (Confidentiality)

Not applicable.

Item 7: Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8: Executive Officer

Binyomin Posen
Chief Executive Officer, Chief Financial Officer & Director

T: 416 481 2222

E: bposen@plazacapital.ca

Item 9: Date of Report

January 27, 2022

SCHEDULE "A"

1319743 B.C. LTD. COMPLETES SHARE CONSOLIDATION

Toronto, January 27, 2022– 1319743 B.C. Ltd. (the "**Company**") is pleased to announce that the Company completed a share consolidation (the "**Consolidation**") of its common shares (the "**Shares**") by exchanging one (1) new post-Consolidation Share for every three million two hundred sixty seven thousand nine hundred and seventy three (3,267,973) pre-Consolidation Shares as authorized by a resolution passed by the board of directors of the Company (the "**Resolution**") effective January 27, 2022 (the "**Effective Date**") in accordance to the Company's Articles of Incorporation. No fractional shares will be issued as a result of the Consolidation. Shareholders who end up with a fractional interest in the Shares following the Consolidation (i.e. those who hold less than 3,267,973 pre-Consolidation Shares) will receive C\$0.000306 in cash (the "**Cash Consideration**") for each pre-Consolidation Share held and will cease to own any fractional interests in the Shares. The Resolution further authorized, pursuant to Section 238(g) of the *British Columbia Business Corporations Act* (the "**BCBCA**"), the shareholders to exercise dissent rights in respect of the Consolidation, in the manner described in Sections 237 to 247 of the BCBCA.

Effective January 27, 2022 the post-Consolidation Shares have been assigned new CUSIP/ISIN numbers: (CA68251Y2078/8251Y207).

A letter of transmittal will be sent by mail to shareholders **entitled to receive Cash Consideration only and may only be used by registered holders (the "Registered Shareholders") of the Company's Shares and is not to be used by beneficial holders of the Shares who are not Registered Shareholders (the "Beneficial Shareholders"). A Beneficial Shareholder who does not hold the Shares registered in their name but are held by an intermediary or clearing agency such as CDS. Beneficial Shareholders must contact their intermediary for instructions and assistance in delivering the certificates representing their Shares and receiving the Cash Consideration for such Shares.**

The Consolidation constitutes a "business combination" within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). In its consideration and approval of the Consolidation, the board of directors of the Company determined that the Consolidation will be exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis of the exemptions in Sections 5.5(b) and 5.7(g) of MI 61-101.

On behalf of the Board of Directors

Binyomin Posen
Chief Executive Officer, Chief Financial Officer & Director
T: 416 481 2222
E: bposes@plazacapital.ca

No recognized securities exchange accepts responsibility for the adequacy of this press release, which has been prepared by management of the Company.

Cautionary Note Regarding Forwarding-Looking Statements

All statements in this press release, other than statements of historical fact, are "forward-looking information" with respect to the Company within the meaning of applicable securities laws. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking statements. There are uncertainties inherent in forward-looking information, including factors beyond the Company's control. There are no assurances that the business plans described in this news release will come into

effect on the terms or time frame described herein. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by law. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis and other disclosure filings with Canadian securities regulators, which are posted on www.sedar.com.