

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

1. Name and address of Company

TIMIA Capital Corp. (the "**Company**")
1530, 789 W Pender Street
Vancouver, BC V6C 1H2

2. Date of Material Change

November 27, 2020

3. News Release

A news release announcing the material change was issued on November 27, 2020 and disseminated through the facilities of a recognized newswire service. A copy of the press release was also filed on SEDAR at www.sedar.com.

4. Summary of Material Change

The Company closed the previously announced offering of Non-Cumulative Series A Preferred Shares (the "**Preferred Shares**") of the Company (the "**Offering**") at a price of \$1.00 per Preferred Share. The Company issued a total of 5,210,994 Preferred Shares, including an aggregate of 1,259,494 Preferred Shares issued pursuant to an exchange option, whereby purchasers received Preferred Shares in exchange for outstanding non-convertible and convertible debentures of the Company (the "**Exchange Option**").

The Offering was completed by a syndicate of agents, which includes Echelon Wealth Partners Inc., Industrial Alliance Securities Inc., PI Financial Corp., Haywood Securities Inc. and Wellington-Altus Private Wealth Inc. (the "**Agents**"). The Agents and members of the selling group received a cash commission equal to 6% of the cash proceeds of the Offering and 4% of the Exchange Option. In addition, the Agents and members of the selling group received an aggregate of 280,298 broker warrants ("**Broker Warrants**"). Each Broker Warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.25 for a period of 12 months from the closing of the Offering.

5.1 Full Description of Material Change

See the attached news release.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

7 Omitted Information

Not applicable.

8 Executive Officer

Michael Walkinshaw, Chief Executive Officer
Telephone: 604-398-8839

9 Date of Report:

December 7, 2020

TIMIA Announces Closing of \$5.2M Offering of Preferred Shares

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VANCOUVER, BC, Nov. 27, 2020 /CNW/ - TIMIA Capital Corp. (the "**Company**") (TSXV: TCA) is pleased to announce that it has closed its previously announced offering (the "**Offering**") Non-Cumulative Series A Preferred Shares (the "**Preferred Shares**") at a price of \$1.00 per Preferred Share. Under the Offering, the Company issued 5,210,994 Preferred Shares for gross proceeds of \$5,210,994, including the issuance of 1,259,494 Preferred Shares pursuant to the exchange option (the "**Exchange Option**"), whereby purchasers received Preferred Shares in exchange for outstanding non-convertible and convertible debentures of the Company held by them, at face value.

The Offering was completed by a syndicate of agents which includes Echelon Wealth Partners Inc., Industrial Alliance Securities Inc., PI Financial Corp., Haywood Securities Inc. and Wellington-Altus Private Wealth Inc. (the "**Agents**"). In consideration for the services of the Agents in connection with the Offering, the Agents and members of the selling group received a cash commission equal to 6% of the cash proceeds of the Offering and 4% of the proceeds of the Offering raised under the Exchange Option. In addition, the Agents and members of the selling group received an aggregate of 280,298 broker warrants ("**Broker Warrants**"). Each Broker Warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.25 for a period of 12 months from the closing of the Offering.

The TSX Venture Exchange (the "**TSXV**") has conditionally approved the listing of the Preferred Shares under the symbol TCA.PR.A, subject to customary conditions. Trading of the Preferred Shares is expected to commence on the TSXV on December 1, 2020.

The Company anticipates using the proceeds of the Offering to redeem issued and outstanding non-convertible debentures and for general corporate purposes. For more information, potential investors should read the Company's final short form prospectus, which is available on the Company's SEDAR profile at www.sedar.com.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

MI 61-01 Disclosure

Michael Walkinshaw, a director and officer of the Company and an associate of his, acquired 112,500 Preferred Shares pursuant to the Exchange Option. David Demers, a director of the Company, acquired 50,000 Preferred Shares pursuant to the Exchange Option. Paul Geyer, a director of the Company, and related parties acquired 700,000 Preferred Shares pursuant to the Offering and Exchange Option. Thealzel Lee, a director of the Company, acquired 25,000 Preferred Shares pursuant to the Offering and Exchange Option. Andrew Abouchar, an officer of the Company, acquired 28,000 Preferred Shares pursuant to the Offering. Each of the above issuances is a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). However, each issuance is exempt from: (i) the valuation requirement of MI 61-10 by virtue of the exemption in Section 5.5(b) of MI 61-101 as no securities of the Company are listed on a market specified in MI 61-101; and (ii) the

minority securityholder approval requirement of MI 61-101 by virtue of the exemption in Section 5.7(1)(a) of MI 61-101, as the fair market value of each issuance does not exceed 25% of the Company's market capitalization. A material change report was not filed by the Company 21 days before the date of closing of the Offering as the level of insider participation in the Offering was not known at that time and the Company moved to close the Offering as soon as closing conditions were met. In the view of the Company, this was reasonable in the circumstances.

ON BEHALF OF THE BOARD OF TIMIA CAPITAL CORP.

Mike Walkinshaw
Chief Executive Officer

Further information about the Company is available under its profile on the SEDAR website, www.sedar.com, and on the Company's website.

Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the Offering. This news release contains "forward-looking statements" within the meaning of Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the use of proceeds of the Offering and the listing of the Preferred Shares on the TSXV. Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. The statements in this press release are made as of the date of this release and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by applicable securities laws. The Company undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of the Company, its subsidiaries, their securities, or their respective financial or operating results (as applicable).

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

SOURCE TIMIA Capital Corp.

View original content: <http://www.newswire.ca/en/releases/archive/November2020/27/c2226.html>

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For further information: Darren Seed, Vice President, Capital Markets & Communications, (604) 398-8839, IR@timiacapital.com

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