

MAINSTREET EQUITY CORP.
FORM 51-102 F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Mainstreet Equity Corp. (the “Corporation”)
305 - 10 Avenue S.E.
Calgary, Alberta
T2G 0W2

2. Date of Material Change

The material change occurred on March 1, 2019.

3. News Release

A news release was issued by the Corporation on March 1, 2019.

4. Summary of Material Change

The Corporation announced that all of the holders (“Holders”) of the Corporation’s remaining outstanding incentive stock options (“Options”), each of which was a director or officer of the Corporation, exercised their Options, at an exercise price of \$5.51 per common share of the Corporation (“Common Share”) in accordance with the terms of the Corporation’s stock option plan (the “Option Plan”). Under the Option Plan, the Holders were entitled to elect to exercise their Options, or alternatively they could jointly elect with the Corporation to receive a cash settlement, whereby they would receive the “in the money value” of the Option in lieu of purchasing the number of Common Shares purchasable under the Option (a “Cash Settlement”). Based on the closing price of the Common Shares on the Toronto Stock Exchange (“TSX”) on February 28, 2019, being \$45.75, the Corporation paid an aggregate amount of \$10,968,426.05 to the Holders pursuant to the Cash Settlement election and issued an aggregate of 549,425 Common Shares, representing 6.22% of the issued and outstanding Common Shares.

5. Full Description of Material Change

5.1 Full Description of Material Change

The Corporation announced that all of the Holders of the Corporation’s remaining outstanding Options, each of which was a director or officer of the Corporation, exercised their Options, at an exercise price of \$5.51 per Common Share in accordance with the terms of the Corporation’s Option Plan. As a result of the exercise, the Corporation has no options issued or outstanding, and as the Option Plan has expired, no further Options may be issued until such time as the Corporation approves a new stock option plan.

Under the Option Plan, the Holders were entitled to elect to exercise their Options, or alternatively they could jointly elect with the Corporation to receive a Cash Settlement, whereby they would receive the “in the money value” of the Option in lieu of purchasing the number of Common Shares purchasable under the Option. Each Holder elected to receive a Cash Settlement in respect of a portion of their Options and to exercise the remainder for Common Shares. Based on the closing price of the Common Shares on the TSX on February 28, 2019, being \$45.75, the Corporation paid

an aggregate amount of \$10,968,426.05 to the Holders pursuant to the Cash Settlement election and issued an aggregate of 549,425 Common Shares, representing 6.22% of the issued and outstanding Common Shares. Following such issuance, the Corporation has 9,381,730 Common Shares issued and outstanding.

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

Trina Cui
Chief Operating Officer
(403) 215-6060

9. Date of Report

March 4, 2019.

Forward-Looking Information

Certain statements contained herein constitute "forward-looking statements" as such term is used in applicable Canadian securities laws. These statements relate to, among other things, the Corporation's belief that the current trading price of the Common Share is below the net asset value of the Common Shares and that the Cash Settlement Alternative is a prudent use of the Corporation's funds. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions of future events or performance (often, but not always, using such words or phrases as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and should be viewed as forward-looking statements.

Such forward-looking statements are not guarantees of future events or performance and by their nature involve known and unknown risks, uncertainties and other factors, including those risks described in the Corporation's Annual Information Form under the heading "Risk Factors" including the current value of the Common Shares is not significantly below the net asset value of the Common Shares and that may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, other factors may cause actions, events or results to be different than anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could vary or differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements contained herein.

Forward-looking statements are based on management's beliefs, estimates and opinions on the date the statements are made, and the Corporation undertakes no obligation to update forward-looking statements if these beliefs, estimates or opinions should change, except as required by applicable securities laws or as otherwise described therein.