

FORM 51-102F3
Material Change Report

1. Name and Address of Corporation:

Winston Capital Group Inc. (the "**Corporation**")
1600, 333-7th Ave SW
Calgary, Alberta
T2P 2Z1

2. Date of Material Change(s):

June 23, 2019

3. News Release:

A news release relating to the material changes described herein was released on June 24, 2019 through the facilities of Newsfile.

4. Summary of Material Change(s):

The Corporation announced details concerning its proposed arm's length qualifying transaction involving a proposed business combination with 2695389 Ontario Corp.

5. Full Description of Material Change:

5.1 Full Description of Material Change

The Corporation announced details concerning its proposed arm's length qualifying transaction (the "**Transaction**") involving a proposed business combination with 2695389 Ontario Corp. ("**Ontario**"), a private company incorporated under the laws of the Province of Ontario on May 9, 2019.

Ontario plans to enter into an agreement to acquire Patton Associated Trading Limited, Northside Property Management Limited and Ocean Healthcare Limited, each a corporation incorporated under the laws of Ireland (collectively, "**Lake Health**"). Lake Health is a pharmaceutical products wholesale distribution company with an experienced leadership team. Lake Health has medical wholesale distribution authorization (WDA) from the Irish Health Products Regulatory Authority ("**HPRA**"). This authorization allows Lake Health to import and distribute prescribed medicines; over the counter medicinal products; unauthorized medical products; exempt medical products; and psychoactive products within Ireland and to export the same product categories across the EU/EEA region, subject to local regulation. Lake Health's logistics solution, including access to a state of the art distribution facility which is approved by the HPRA and is ISO 2001:2008 certified, enables same day delivery to 1,800 pharmacies in Ireland and 48 to 72 hour distribution across mainland Europe.

After the completion of the acquisition of Lake Health, Ontario will have approximately 96,180,000 common shares ("**Ontario Common Shares**") issued and outstanding. Prior to the completion of the Transaction, Ontario plans to complete a private placement of up to 8,000,000 units at \$0.50 per unit, each unit consisting of one Ontario Common Share and one-half warrant to purchase an Ontario Common Share for gross proceeds of up to CDN\$4,000,000. Each whole

warrant (an "**Ontario Warrant**") will entitle the holder thereof to purchase one Ontario Common Share for \$0.65 per share for a period of two years from closing.

The Corporation has entered into a non-binding letter of intent with Ontario dated June 21, 2019 (the "**LOI**") pursuant to which the Corporation and Ontario intend to complete a share purchase, plan of arrangement, amalgamation, three-cornered amalgamation or alternate structure to be determined, having regard to relevant tax, securities and other factors and potentially including a pre-closing reorganization of Ontario, to form a new company ("**Newco**") called "Verrian Corp.". Pursuant to the proposed Transaction, each issued and outstanding Ontario Common Share will be exchanged into one common share of Newco ("**Newco Common Share**") on a 1:1 basis so that all of the issued and outstanding Ontario Common Shares will be exchanged for approximately 96,180,000 Newco Common Shares (not including Ontario Common Shares issued pursuant to the Private Placement), and each unexercised Ontario Warrant shall be exchanged for a replacement warrant issued by Newco with the same terms as the respective warrant.

It is intended that the Transaction, when completed, will constitute the Corporation's "Qualifying Transaction" in accordance with Policy 2.4 of the TSX Venture Exchange (the "**Exchange**"). A more comprehensive news release will be issued by the Corporation disclosing details of the Transaction, including financial information respecting Ontario, the names and backgrounds of all persons who will constitute insiders of Newco, and information respecting sponsorship, once an agreement has been finalized and certain conditions have been met, including:

- i) approval of the Transaction by the board of directors of the Corporation;
- ii) satisfactory completion of due diligence; and
- iii) execution of the definitive agreement.

Shareholder approval is not required with respect to the Transaction under the rules of the Exchange. However, the structure of the Transaction has not yet been finalized so shareholder approval under corporate law may be required. In the event a final agreement is not reached, the Corporation will notify shareholders. Trading in the common shares of the Corporation has been halted and is not expected to resume trading until the Transaction is completed or until the Exchange receives the requisite documentation to resume trading. Upon closing of the Transaction, the Corporation expects to list as a Tier 2 Life Sciences Issuer.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer Knowledgeable of Material Change:

Bruce Bent
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9. Date of Report:

June 27, 2019