

MATERIAL CHANGE REPORT

ITEM 1 Name and Address of Company:

MJ Innovation Capital Corp. (the “**Corporation**”)
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

ITEM 2 Date of Material Change:

August 9, 2019.

ITEM 3 News Release:

A press release was disseminated on August 9, 2019 via Globe Newsire.

ITEM 4 Summary of Material Change:

The Corporation announced the completion of its initial public offering of 2,000,000 common shares.

ITEM 5 Full Description of Material Change:

Please refer to the press release issued on August 9, 2019, attached as Schedule "A".

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

N/A

ITEM 7 Omitted Information:

N/A

ITEM 8 Executive Officer:

Further information regarding the matters described in this report may be obtained from Bryan Van Engelen, Chief Executive Officer, Chief Financial Officer and director, who is knowledgeable about the details of the material change and may be contacted at (226) 750-9914.

ITEM 9 Date of Report:

August 9, 2019.

SCHEDULE "A"

Not for dissemination in the United States or for distribution to U.S. newswire services

FOR IMMEDIATE RELEASE

MJ INNOVATION CAPITAL CORP. COMPLETES INITIAL PUBLIC OFFERING

August 9, 2019 – MJ Innovation Capital Corp. (the “**Corporation**”) (TSX-V: MSMJ.P), a capital pool company, is pleased to announce the completion of its initial public offering (the “**Offering**”). The Corporation issued 2,000,000 common shares in the capital of the Corporation (the “**Common Shares**”) at a price of \$0.20 per Common Share, for gross proceeds to the Corporation of \$400,000. As a result of this issuance, the Corporation has 3,050,000 Common Shares issued and outstanding.

The Common Shares will commence trading on the TSX Venture Exchange (the “**Exchange**”) at the opening of market on August 9, 2019 under the trading symbol of “**MSMJ.P**”.

Canaccord Genuity Corp. (the “**Agent**”) acted as agent for the Offering. In connection with the Offering, the Corporation granted to the Agent non-transferable warrants to acquire up to an aggregate of 200,000 Common Shares (the “**Agent’s Warrants**”). Each Agent’s Warrant is exercisable to acquire one Common Share at a price of \$0.20 for a period of 24 months following the date that the Common Shares are listed on the Exchange. In connection with the Offering, the Agent also received a cash commission equal to 10% of the aggregate gross proceeds from the sale of the Common Shares, along with an administration fee.

The net proceeds of the Offering will be used by the Corporation to identify and evaluate assets or businesses for acquisition with a view to completing a “Qualifying Transaction” under the Capital Pool Company program of the Exchange.

Pursuant to the Offering, 1,070,000 Common Shares have been deposited in escrow with the Corporation’s escrow agent.

The current directors and officers of the Corporation are: Bryan Van Engelen, Chief Executive Officer, Chief Financial Officer, and Director; Richard Kimel, Director; Scott Rasenberg, Director; Sherri Altshuler, Director; Marissa Thoren, Corporate Secretary; and Jennifer Mallick, Treasurer. The Corporation granted its directors options to purchase an aggregate of 305,000 Common Shares at \$0.20 per share for a period of 10 years from the date of grant.

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements, including statements about the Corporation’s future plans and intentions, listing of the Common Shares on the Exchange, use of proceeds of the Offering and completion of a Qualifying Transaction. These statements reflect management’s current beliefs and are based on information currently available to management as at the date hereof. Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, the Corporation cannot assure readers that actual results will be consistent with these

forward-looking statements. These forward-looking statements are made as of the date of this press release, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither 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.

For additional information, please see the prospectus of the Corporation dated July 26, 2019 or contact:

Bryan Van Engelen
Chief Executive Officer, Chief Financial Officer and Director
MJ Innovation Capital Corp.
Telephone: 226.750.9914