

Form 51-102F3
Material Change Report
Section 7.1 of National Instrument 51-102
Continuous Disclosure Obligations

- Item 1 Name and Address of Company
- KAPA CAPITAL INC.**
2475 Queens Avenue
West Vancouver, BC V7V 2Y9
- Item 2 Date of Material Change September 24, 2018
- Item 3 News Release
- Issued and distributed through the facilities of Market News Publishing Inc. and Stockwatch on September 25, 2018
- Item 4 Summary of Material Change
- The Issuer has successfully completed its initial public offering of 2,000,000 common shares for gross proceeds of \$200,000 through its agent, Canaccord Genuity Corp.
- Item 5.1 Full Description of Material Change
- See attached news release
- Item 5.2 Disclosure for Restructuring Transactions
- N/A
- Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102
- N/A
- Item 7 Omitted Information N/A
- Item 8 Executive Officer
- Charalambos Katevatis
Telephone: (604) 836-6667
- Item 9 Date of report:
- September 27, 2018

**KAPA CAPITAL INC.
2475 Queens Avenue
West Vancouver, BC V7V 2Y9**

NEWS RELEASE

KAPA Capital Inc. Completes Initial Public Offering as a Capital Pool Company

September 25, 2018 – Vancouver, British Columbia, KAPA Capital Inc. (the “Corporation”), a capital pool company, is pleased to announce that on September 24, 2018 it successfully completed its initial public offering (the “Offering”) of 2,000,000 common shares (the “Shares”) for gross proceeds of \$200,000 through its agent, Canaccord Genuity Corp. (the “Agent”) on a commercially reasonable efforts basis. In connection with the Offering, the Agent received a cash commission equal to 10% of the gross proceeds of the Offering. In addition, the Corporation granted to the Agent a non-transferable warrant to purchase up to 200,000 Shares at a price of \$0.10 per Share, which may be exercised for a period of 24 months from the day the Shares are listed on the TSX Venture Exchange (the “Exchange”). The Agent was also paid an administration fee for its services in connection with the Offering.

The board of directors of the Corporation consists of Charalambos (Harry) Katevatis, Vivian Katsuris and Allan Williams.

An aggregate of 500,000 stock options have also been granted to the directors and officers of the Corporation to acquire Shares of the Corporation at an exercise price of \$0.10 per Share with an expiry date of September 24, 2023.

The Corporation’s common shares are expected to commence trading on the Exchange on September 27, 2018 under the trading symbol “KAPA.P”.

On behalf of the board of

KAPA Capital Inc.

Per: “*Charalambos Katevatis*”

Charalambos Katevatis
President and Chief Executive Officer

INVESTORS ARE CAUTIONED THAT TRADING IN THE SECURITIES OF A CAPITAL POOL COMPANY SHOULD BE CONSIDERED HIGHLY SPECULATIVE. 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.