

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

Item 1: **Name and Address of Company**

Kadestone Capital Corp (“**Kadestone**” or the “**Company**”)  
Suite 2600, Three Bentall Centre, 595 Burrard Street  
Vancouver B.C.,  
V7X 1L3

Item 2: **Date of Material Change**

October 29, 2020.

Item 3: **News Release**

The news release announcing the material change referred to in this report was disseminated on October 29, 2020 through Newswire and a copy has been filed under Kadestone’s profile on SEDAR.

Item 4: **Summary of Material Change**

On October 29, 2020, the Company announced the successful closing of its initial public offering (the “**Offering**”) and cornerstone placement (the “**Cornerstone Placement**”) of common shares of the Company (“**Common Shares**”). Kadestone issued 8,306,450 Common Shares pursuant to the Offering and 9,200,000 Common Shares pursuant to the Cornerstone Placement at a price of \$0.80 per Common Share for total gross proceeds of \$14,005,160.

Item 5: **Full Description of Material Change**

On October 29, 2020, the Company announced the successful closing of the Offering and Cornerstone Placement of Common Shares. Kadestone issued 8,306,450 Common Shares pursuant to the Offering and 9,200,000 Common Shares pursuant to the Cornerstone Placement at a price of \$0.80 per Common Share for total gross proceeds of \$14,005,160.

The Common Shares will be listed on the TSX Venture Exchange under the symbol “**KDSX**”.

Leede Jones Gable Inc. (“**Leede**”), acted as Kadestone’s agent in respect of the Offering. Kadestone paid Leede an aggregate cash commission of \$450,000. In addition, Kadestone issued Leede a non-transferable compensation option entitling Leede to purchase 415,322 Common Shares at a price of \$0.80 per Common Share until October 29, 2022. In connection with closing of the Offering, Leede also received a corporate finance fee of \$50,000 plus GST. The net proceeds of the Offering and Cornerstone Placement will be directed primarily to paying the remaining purchase price of the Company’s Kyle Road property, unidentified expenditures related to future property investments and general and administrative expenses. The Common Shares issued pursuant to the Cornerstone Placement are subject to a hold period of four months and one day following the date of issuance. Blake, Cassels & Graydon LLP acted as legal counsel to the Company and Harper Grey LLP acted as legal counsel to Leede.

Item 6: **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

Item 7: **Omitted Information**

Not applicable.

Item 8: **Executive Officer**

For further information, please contact David Negus, Chief Financial Officer of Kadestone, at [dnegus@kadestone.com](mailto:dnegus@kadestone.com).

Item 9: **Date of Report**

November 16, 2020.