

REBEL CAPITAL INC.

FORM 51-102F3

**MATERIAL CHANGE REPORT**

**1. Name and Address of Company**

Rebel Capital Inc. (“Rebel”)  
20th Floor, 250 Howe Street  
Vancouver, British Columbia  
V6C 3R8

**2. Date of Material Change**

July 11, 2019

**3. News Release**

A news release was issued by Rebel on July 11, 2019 and disseminated through GlobeNewsWire, and a copy was subsequently filed on SEDAR.

**4. Summary of Material Change**

On July 11, 2019, Rebel, a capital pool company (as defined in Policy 2.4 – *Capital Pool Companies* (the “**CPC Policy**”) of the TSX Venture Exchange (the “**TSXV**”)) announced that DLC Pittsburgh Data Center 1 LLC, a wholly-owned subsidiary of Rebel, had entered into a definitive purchase and sale agreement (the “**Definitive Agreement**”) with Chief Commercial Construction L.P., a Pennsylvania limited partnership (the “**Vendor**”), to acquire a property located in Pittsburgh, Pennsylvania containing a 91,790 square foot data center with a three-storey connected 43,800 square foot office property on an approximately 7.65 acre site (the “**Property**”) for a total cash purchase price of US\$32 million (the “**Purchase Price**”), subject to customary adjustments and standard real estate acquisition terms (the “**Proposed Transaction**”).

The Proposed Transaction is intended to constitute Rebel’s “Qualifying Transaction” in accordance with the CPC Policy.

**5. Full Description of Material Change**

**5.1 Full Description of Material Change**

On July 11, 2019, Rebel announced that DLC Pittsburgh Data Center 1 LLC, a wholly-owned subsidiary of Rebel, had entered into the Definitive Agreement with the Vendor to acquire the Property for the Purchase Price, subject to customary adjustments and standard real estate acquisition terms.

The Proposed Transaction is intended to constitute Rebel’s “Qualifying Transaction” in accordance with the CPC Policy.

In connection with the closing of the Proposed Transaction, it is intended that Springhurst Capital Holdings Inc. (“**SCHI**”) will amalgamate with another wholly-owned subsidiary of Rebel (“**Rebel Subco**”) (the “**Amalgamation**”). The Amalgamation will be structured as a three-cornered amalgamation, pursuant to which the common shares of SCHI (each, an “**SCHI Common Share**”) will be exchanged for common shares of the Resulting Issuer (as defined below) (“**Resulting Issuer Common Shares**”) based on an exchange ratio to be agreed upon by Rebel and SCHI and

in accordance with the terms of the amalgamation agreement to be entered into by SCHI, Rebel and Rebel Subco (the “**Amalgamation Agreement**”).

### ***Contemplated Continuance and Name Change***

Subject to shareholder and regulatory approval, it is intended that Rebel will: (i) immediately prior the Amalgamation, continue into Ontario (the “**Continuance**”) and (ii) immediately following the Amalgamation, complete a name change (the “**Name Change**”) to “Digital Lease Capital Inc.” (such entity, following the completion of the Continuance, the Amalgamation and the Name Change, being the “**Resulting Issuer**”).

The Proposed Transaction will not be a Non-Arm's Length Qualifying Transaction (as defined in the TSXV policies), and as a result, the approval of the shareholders of Rebel of the Proposed Transaction will not be required. Shareholders of Rebel will be asked to approve the Continuance and the Name Change at a special meeting of Rebel shareholders to be held for such purpose.

### ***Concurrent Financing***

SCHI has launched a “best efforts” brokered private placement on an agency basis of 140,000,000 subscription receipts of SCHI (each, a “**Subscription Receipt**”) at a price per Subscription Receipt of C\$0.25 (the “**Issue Price**”) for gross proceeds of C\$35 million (the “**Concurrent Financing**”). The net proceeds of the Concurrent Financing will be used primarily to fund the Purchase Price for the Property, as well as to pay the expenses of the Concurrent Financing and for general working capital purposes. SCHI has granted the Agents (as defined below) an option to arrange for the sale, on a “best efforts” basis, of an additional 21,000,000 Subscription Receipts at the Issue Price (the “**Agents’ Option**”). Such option is exercisable at any time up to 48 hours prior to the closing date of the Concurrent Financing (the “**Closing Date**”).

Canaccord Genuity Corp. and Echelon Wealth Partners Inc. will act as co-lead agents (the “**Co-Lead Agents**”), and together with the other agents in the syndicate, the “**Agents**”) in connection with the Concurrent Financing.

On the Closing Date, the gross proceeds of the offering less certain costs and expenses of the Agents (the “**Escrowed Proceeds**”) will be deposited with a subscription receipt agent mutually acceptable to the Co-Lead Agents, Rebel and SCHI (the “**Subscription Receipt Agent**”) and invested in an interest bearing account (the Escrowed Proceeds, together with all interest and other income earned thereon, the “**Escrowed Funds**”) pursuant to the terms of a subscription receipt agreement to be entered into by and among the Subscription Receipt Agent, SCHI, Rebel, and the Co-Lead Agents.

Provided that certain escrow release conditions are satisfied on or prior to the date that is no more than 120 days following the Closing Date, the Agents will be paid a cash commission, the balance of the Escrowed Funds will be released from escrow to or as directed by SCHI, and each Subscription Receipt will be automatically exchanged (without any further action on the part of the holder thereof and without payment of additional consideration) immediately prior to the completion of the Amalgamation and the Proposed Transaction for one SCHI Common Share (subject to adjustment in certain events). Each such SCHI Common Share will be exchanged for Resulting Issuer Common Shares promptly thereafter in accordance with the terms of the Amalgamation Agreement.

Closing of the Concurrent Financing is expected to occur on or about August 8, 2019.

## **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**

The name and business telephone number of an executive officer of Rebel who is knowledgeable about the material change and this material change report is:

Chris Reid  
Chief Financial Officer  
Phone: (647) 930-1089

**9. Date of Report**

July 23, 2019