

**NOTICE OF CHANGE IN CORPORATE STRUCTURE  
PURSUANT TO  
SECTION 4.9 OF NATIONAL INSTRUMENT 51-102 – CONTINUOUS DISCLOSURE  
OBLIGATIONS**

**1. Names of the Parties to the Transaction**

Electric Royalties Ltd. (formerly Rebel Capital Inc.) (the “**Company**”), the company formerly known as Electric Royalties Ltd. (“**Electric**”) and 1238383 B.C. Ltd. (“**Rebel Subco**”).

**2. Description of the Transaction**

On June 24, 2020, the Company completed a qualifying transaction (the “**Transaction**”) by way of a three-cornered amalgamation (the “**Amalgamation**”) pursuant to a business combination agreement dated January 28, 2020, as amended on April 20, 2020 (the “**Business Combination Agreement**”), among the Company, Electric and Rebel Subco.

In connection with the Transaction, the Company consolidated its common shares on a 2:1 basis (the “**Consolidation**”).

Pursuant to the Business Combination Agreement, the Company acquired all of the issued and outstanding shares in the capital of Electric by way of the Amalgamation in which: (a) Rebel Subco amalgamated with Electric to form an amalgamated company (“**Amalco**”); (b) all issued and outstanding shares of Electric were exchanged for post-Consolidation common shares of the Company on a 1:1 basis with a deemed issue price of CDN\$0.25; and (c) Amalco became a wholly-owned subsidiary of the Company and changed its name to Electric Royalties (Canada) Ltd.

In addition, the Company also completed a non-brokered private placement (the “**Private Placement**”) of subscription receipts (the “**Subscription Receipts**”) at a price of \$0.25 per Subscription Receipt. The Company raised aggregate gross proceeds of \$5,231,250 from the sale of 20,925,000 Subscription Receipts. Immediately prior to closing of the Transaction, the 20,925,000 Subscription Receipts that were issued pursuant to the Private Placement were automatically converted, without any further action on the part of the holders, into an aggregate of 20,925,000 post-Consolidation common shares of the Company.

Immediately after the completion of the Transaction, the Company changed its name from Rebel Capital Inc. to Electric Royalties Ltd. The common shares of the Company began trading as a Tier 2 Issuer on the TSX Venture Exchange (“**TSX-V**”) under the symbol “**ELEC**” on June 29, 2020.

Details of the Transaction are set forth in the filing statement of the Company dated June 16, 2020 filed on SEDAR at [www.sedar.com](http://www.sedar.com).

**3. Effective Date of Transaction**

June 24, 2020.

**4. Name of Each Party that Ceased to be a Reporting Issuer after the Transaction and of each Continuing Entity**

The Company did not cease to be a reporting issuer as a result of the Transaction. Prior to the Transaction, the Company was, and continues to be, a reporting issuer in British Columbia, Alberta and Ontario. As described above, the Company is now known as “Electric Royalties Ltd.”.

As a result of the Transaction, Amalco became a wholly-owned subsidiary of the Company. Amalco was not a reporting issuer prior to the Transaction and did not become a reporting issuer as a result of the Transaction.

**5. Date of the Reporting Issuer’s First Financial Year End Subsequent to the Transaction.**

December 31, 2020.

**6. Periods of the Interim and Annual Financial Statements Required to be Filed for the Reporting Issuer’s First Financial Year Subsequent to the Transaction**

June 30, September 30, December 31 and March 31.

**7. Documents filed under National Instrument 51-102 that described the Transaction**

The following documents describing the Transaction were filed on SEDAR and are available on [www.sedar.com](http://www.sedar.com) under the profile for the Company:

- a) news release dated November 27, 2019 announcing the Transaction;
- b) news release dated January 30, 2020 announcing the entering into of a definitive agreement in respect of the Transaction;
- c) news release dated April 22, 2020 providing an update on the Transaction;
- d) news release dated June 15, 2020 providing an update on the Private Placement and the Transaction;
- e) filing statement of the Company dated June 16, 2020 in connection with the Transaction;
- f) news release dated June 17, 2020 in respect of receiving conditional acceptance of the TSX-V for the Transaction and the filing of the Filing Statement on SEDAR;
- g) news release dated June 24, 2020 in respect of the closing of the Transaction and receiving final acceptance of the TSX-V for the Transaction;
- h) news release dated June 29, 2020 in respect of the resumption of trading of the Company’s shares on the TSX-V; and
- i) material change report dated July 3, 2020 in respect of the closing of the Transaction.

**DATED** this 3<sup>rd</sup> day of July, 2020.