

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

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

ALSET CAPITAL INC. (the “Company”)  
488 - 1090 West Georgia Street  
Vancouver, BC V6E 3V7

**Item 2. Date of Material Change**

May 21, 2021

**Item 3. News Release**

News releases dated October 29, 2020, December 15, 2020, February 3, 2021, and May 21, 2021 were disseminated and filed on SEDAR.

**Item 4. Summary of Material Change**

ALSET CAPITAL INC. Announces Closing of Share Purchase Agreement

**Item 5.1 Full Description of Material Change**

On May 21, 2021, the Company announced it had completed its previously announced sale (the “**Sale**”) of all of the issued and outstanding common shares of the Company’s subsidiaries, Rosterbot Inc. (“**Rosterbot**”), ProSmart Sports Development Inc. (“**ProSmart**”), and DL Hockey Consulting Limited (collectively, the “**Subsidiaries**”) pursuant to the terms of a share purchase agreement dated September 17, 2020, as amended (the “**Share Purchase Agreement**”), between the Company and 1255589 B.C. Ltd. (the “**Purchaser**”).

As consideration for the Sale, pursuant to the terms of a debt assumption and settlement agreement dated May 17, 2021 (the “**Debt Settlement Agreement**”) among the Company, the Purchaser, the Subsidiaries and the agent for the Company’s convertible debenture holders (the “**Agent**”), the Purchaser has, through Rosterbot and ProSmart, assumed \$640,000 (the “**Assumed Debt**”) of the Company’s \$693,333.34 (the “**Loan**”) outstanding convertible loans under certain convertible debentures issued by the Company as of January 8, 2019. Pursuant to the Debt Settlement Agreement, the conversion feature associated with the Assumed Debt that provides the holders of the Assumed Debt to convert the Assumed Debt into common shares of the Company has been terminated.

In addition, this press release amends certain disclosure relating to the Share Purchase Agreement disclosed in the February 3, 2021 news release. The conversion of the \$53,333.34 balance of the principal amount of the Loan (the “**Settled Debt**”) into common shares of the Company occurred concurrently with closing the Sale. Pursuant to the Debt Settlement Agreement, the Settled Debt was converted into 323,232 common shares in the capital of the Company (the “**Settlement Shares**”) issued to the Purchaser at a deemed

price of \$0.165 per Settlement Share. The Settlement Shares are subject to a statutory hold period of four months plus a day from the date of issuance.

The Share Purchase Agreement was first announced by the Company on October 29, 2020. The Share Purchase Agreement was conditional on the Company's failure-to-file cease trade order (the "CTO") being revoked and receiving shareholder and TSX Venture Exchange (The "TSXV") approval of the Share Purchase Agreement and the transactions contemplated therein. The Company received shareholder approval of the Share Purchase Agreement and the transactions contemplated therein at the Company's annual general and special meeting of its shareholders held on November 6, 2020. The CTO was revoked by the British Columbia Securities Exchange on November 27, 2020 and the Company's common shares were reinstated for trading on the NEX board of the TSXV on December 17, 2020. The TSXV conditionally approved the Share Purchase Agreement on February 8, 2021, and further approved the Debt Settlement Agreement on May 20, 2021. The TSXV issued their final approval of the Share Purchase Agreement and the transactions contemplated therein in bulletins dated May 26, 2021.

**Item 5.2. Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

**Item 7. Omitted Information**

No information was omitted.

**Item 8. Executive Officers**

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Roger He  
Chief Executive Officer  
Telephone: 778-223-8853

**Item 9. Date of Report**

June 7, 2021