

FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

Item 1. Name and Address of Company

LEGEND POWER SYSTEMS INC. (the “Company”)

1480 Frances Street
Vancouver, BC
V5L 1Y9

Telephone: 1-604 377-0403

Item 2. Date of Material Change

April 30, 2018

Item 3. News Release

News releases dated April 6, 2018 and April 30, 2018 were disseminated via newswire services and filed on SEDAR.

Item 4. Summary of Material Change

The Company has completed, pursuant to the terms of an underwriting agreement dated March 23, 2018 among the Company and syndicate of underwriters led by GMP Securities L.P. and including Canaccord Genuity Corp. and Haywood Securities Inc.: (a) its offering and sale of 12,500,000 common shares at a price of C\$0.80 per common share for gross proceeds of C\$10,025,000, which closed on April 6, 2018 and (b) in connection with the underwriters’ exercise of the over-allotment option, its offering and sale of an additional 656,000 common shares at a price of C\$0.80 per common share for additional gross proceeds of C\$524,800, which closed on April 30, 2018.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company has completed its bought deal offering of common shares (the “**Offering**”) pursuant to the terms of an underwriting agreement dated March 23, 2018 among the Company and syndicate of underwriters led by GMP Securities L.P. and including Canaccord Genuity Corp. and Haywood Securities Inc. (collectively, the “**Underwriters**”). On April 6, 2018, the Company issued 12.5 million common shares (the “**Shares**”) at a price of \$0.80 per Share (the “**Offering Price**”) for gross proceeds of \$10 million. On April 30, 2018, in connection with the Underwriters’ exercise of the over-allotment option, the Company issued an additional 656,Shares at the Offering Price for additional gross proceeds of C\$524,800.

In connection with the Offering, the Company paid a cash commission to the Underwriters equal to 6% of the gross proceeds of the Offering, subject to a reduced rate of 3% for subscribers on the Company’s president’s list, and issued 703,410 warrants to the Underwriters (the “**Broker Warrants**”). Each Broker Warrant entitles the holder to purchase one common share of Legend at the Offering Price for a period of 24 months from the date of closing.

The Offering was completed by way of a short form prospectus filed in all of the provinces and territories of Canada. Certain of the Shares were also sold to U.S. buyers on a private placement basis pursuant to the exemptions from the registration requirements in Rule 144A or Rule 506(b) of Regulation D of the United States

Securities Act of 1933 and as amended and in certain other jurisdictions. The securities sold have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This material change report shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

The net proceeds of the Offering will be used to fuel growth initiatives including, but not limited to, the following: (a) expansion to additional US sales regions; (b) joint venture and marketing initiatives; (c) the creation of an internally financed shared-energy savings program with potential for recurring revenue streams; (d) working capital for increased sales and inventory levels; and (e) product enhancement and line extensions.

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

Not applicable.

Item 8. Executive Officer

Randy Buchamer, CEO and President
Legend Power Systems Inc.

Item 9. Date of Report

Tuesday, May 15, 2018