

## MATERIAL CHANGE REPORT

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

Imagin Medical Inc.  
Suite 300 – 890 West Pender Street  
Vancouver, BC V6C 1J9

**Item 2** **Date of Material Change**

October 27, 2020

**Item 3** **News Release**

The news release was disseminated on October 22, 2020 through Accesswire.

**Item 4** **Summary of Material Change**

Imagin Medical Inc. (the “Company” or “Imagin”) announced its common shares will consolidate effective October 27, 2020, on a 20 old for 1 new basis. The record date for the consolidation is October 28, 2020. There is no change in the trading symbol for Imagin. Any fractional shares arising upon the consolidation will be rounded to the nearest whole number of common shares. Outstanding stock options and share purchase warrants will also be adjusted by the consolidation ratio and the respective exercise prices adjusted accordingly.

Following the consolidation and subject to rounding, the Company will have approximately 8,917,013 common shares outstanding and 2,501,790 shares reserved for issuance.

The Company also announced its intention to offer, subject to market conditions and other factors, up to US\$3 million aggregate principal amount of Convertible Notes (the “Notes”).

The Notes will be secured obligations of Imagin; will accrue 10% interest annually, payable semi-annually in arrears; and will mature 18 months following the date of issue, unless earlier repurchased, redeemed or converted. The Notes will be convertible at the holder’s discretion into units (the “Units”) at a conversion price of US\$0.02 per Unit (US\$0.40 post-consolidation). Each Unit will consist of one post-consolidated common share (“Common Share”), one-half Common Share purchase warrant exercisable at US\$0.025 (US\$0.50 post-consolidation) and one-half Common Share purchase warrant exercisable at US\$0.03 (US\$0.60 post-consolidation). All warrants will be exercisable for five years from the date of issue.

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

**5.1 Full Description of Material Change**

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Letters of transmittal describing the process by which shareholders may obtain new certificates representing their consolidated common shares will be mailed shortly to registered shareholders. Shareholders holding their shares through a broker or other intermediary and consequently not having shares registered in their name will not be required to complete a letter of transmittal.

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The Offering may close in one or more tranches, at the discretion of the Company. Closing of a US\$750,000 first tranche of the Offering is expected to occur on or about October 28, 2020 (the "First Closing"), subject to completion of the Consolidation and any required regulatory approval, including that of the Canadian Securities Exchange (the "CSE").

All securities issued in connection with the Offering will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

## **5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

Confidentiality is not requested.

### **Item 7 Omitted Information**

No information has been omitted in respect of the material change.

**Item 8**      **Executive Officer**

The following executive officer of the Company is knowledgeable about the material change disclosed in this report.

John Vacha, CFO  
Telephone No.: 833-246-2446

**Item 9**      **Date of Report**

October 27, 2020