

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

Item 1 Name and Address of Company

Saratoga Electronic Solutions Inc. (the “**Issuer**”)
2975 Hochelaga
Montreal, Quebec
H1W 1G1

Item 2 Date of Material Change

February 24, 2015.

Item 3 News Release

A news release in respect of the material change was issued on February 24, 2015. A copy of the Issuer’s February 24, 2015 news release is attached as Schedule “A”.

Item 4 Summary of Material Change

The Issuer has announced that on February 24, 2015 it executed a definitive share exchange agreement (the “**Share Exchange Agreement**”) with Abba Medix Corp. (“**Abba Medix**”) and its shareholders (the “**Abba Medix Shareholders**”) pursuant to which the Issuer will acquire all of the issued and outstanding shares of Abba Medix in exchange for shares of the Issuer (the “**Transaction**”).

Item 5 Full Description of Material Change

Description of the Transaction

The Issuer does not currently have any commercial operations. Since the earlier disposition of its automated teller machine business, the Issuer has been carrying out a review of its strategic alternatives, which review led to the execution of a letter of intent with Abba Medix and the Abba Medix Shareholders as previously announced on September 12, 2014 (the “**LOI**”) and the subsequent execution of the Share Exchange Agreement.

Pursuant to the Transaction, the Abba Medix Shareholders will receive 32 common shares of the Issuer (“**Saratoga Shares**”) for each of the 1,336,877 Class A common shares of Abba Medix currently issued and outstanding. Upon closing of the Transaction, the Issuer will issue from treasury an aggregate of 42,780,064 Saratoga Shares to the Abba Medix Shareholders. Following such issuance, there will be an aggregate of 61,241,364 Saratoga Shares issued and outstanding. Based on the foregoing, following completion of the Transaction, the current holders of Saratoga Shares will hold approximately 30.15% of the outstanding Saratoga Shares and the Abba Medix Shareholders will hold approximately 69.85% of the outstanding Saratoga Shares.

Contemporaneously with the closing of the Transaction, the founding shareholders of Abba Medix shall enter into an escrow agreement pursuant to which they will be restricted from selling the 32,000,000 Saratoga Shares held by them for the first three years following the closing of the Transaction, with 25% of their shares being released

from escrow on each of the third and fourth anniversaries of the closing of the Transaction, and the remaining 50% of their shares being released on the fifth anniversary.

Pursuant to an advisory agreement entered into between Abba Medix and Belair Capital Markets, Abba Medix agreed to issue to Belair Capital Markets an option to acquire up to 9% of its issued and outstanding shares upon successful completion of a transaction. In the previously announced LOI, Saratoga agreed to assume the obligation to issue the option to Belair Capital Markets, entitling it to acquire 5,511,723 Saratoga Shares at any time during the 12-month period following closing at a price of \$0.25 per share, thereby ensuring that Abba Medix would remain a wholly-owned subsidiary of Saratoga following completion of the Transaction.

Completion of the Transaction is subject to regulatory approval and standard closing conditions. In addition, closing of the Transaction is conditional upon the Saratoga Shares being delisted from the NEX board of the TSX Venture Exchange (the "TSXV"). Saratoga and Abba Medix have received conditional listing approval to have the Saratoga Shares listed on the Canadian Securities Exchange (the "CSE") further to a listing application filed with the CSE. Provided that all of the conditions set forth in the conditional listing approval letter of the CSE are satisfied, it is anticipated that the Saratoga Shares will commence trading on the CSE upon the closing of the Transaction. As the Transaction will only be completed following the delisting of the Saratoga Shares from the TSXV, the TSXV will not be reviewing the terms and conditions of the Transaction nor any materials that may be delivered to shareholders in connection therewith.

The execution of the Share Exchange Agreement and the consummation of the transactions contemplated thereby, including the delisting of the Saratoga Shares from the TSXV and their listing on the CSE, were unanimously approved by the Board of Directors of the Issuer after due consideration of all relevant factors, including the advice and recommendations of the Issuer's management, the prevailing market conditions, the state of Issuer's business and its prospects, and the Issuer's financing and strategic alternatives.

The Issuer has been advised by the TSXV that no shareholder approval will be required in connection with (i) the delisting of the shares of the Issuer from the TSXV or (ii) the completion of the Transaction following the delisting of the Saratoga Shares. The CSE has advised that shareholder approval in respect of the Transaction will be required for the purpose of listing the Saratoga Shares on the CSE and that such approval may be obtained through a written instrument of shareholders holding at least 50% of the outstanding Saratoga Shares without the requirement of any general dissemination of information to shareholders beyond the normal press release obligations applicable to Issuer and the filing of a copy of the CSE listing statement on the System for Electronic Document Analysis and Retrieval at www.sedar.com concurrently with its filing with the CSE. Shareholders of the Issuer holding more than 60% of the Saratoga Shares are expected to indicate in writing to the CSE that they approve the Transaction.

Following completion of the Transaction, it is expected that the Board of Directors of the Issuer will be comprised of five directors, as follows:

- two directors nominated by the Issuer, being Georges A. Durst and one other individual to be named at a later date (the “**Saratoga Representatives**”); and
- three directors nominated by the founding Abba Medix shareholders, being Ray Rasouli, Paul Cancilla and Nick Migliore (the “**Abba Medix Representatives**”).

Upon completion of the Transaction, Messrs. Don Seal and Martin Fontaine will resign from the Board of Directors of the Issuer and the vacancies created by such resignations and by Mr. Alfredo Perez’s resignation on August 11, 2014 will be filled by the Abba Medix Representatives. The parties will undertake to nominate the Abba Medix Representatives and the Saratoga Representatives for election to the Board of Directors of the Issuer at its subsequent shareholders’ meetings at which directors are elected.

Following completion of the Transaction, Abba Medix will be a wholly-owned subsidiary of the Issuer. Abba Medix filed an application with Health Canada in November of 2013 to obtain a license to produce and distribute marijuana under the federal Marihuana for Medical Purposes Regulations (the “**License**”). Abba Medix has secured a 45,000 square foot facility to support its production plan and has invested over \$1,000,000 in the first phase of the plan that includes 15,000 square feet of production space. Abba Medix will continue to build out the facility as production demand increases.

While there can be no guarantee as to the successful outcome of Abba Medix’s application for the License nor as to the timeframe within which such application will be processed by Health Canada, it is Abba Medix’s goal to create one of the most technologically advanced and secure facilities in Canada in compliance with applicable rules and regulations.

Related Party Elements of the Transaction

Following the public announcement of the execution of the LOI and prior to the execution of the Share Exchange Agreement, Richard Vallée, Chief Financial Officer of the Issuer, together with his spouse, acquired an aggregate of 6,668 Class A common shares of Abba Medix, which will entitle them to receive an aggregate of 106,688 Saratoga Shares. Mr. Vallée does not currently own, control or have direction over any shares of the Issuer. Following completion of the Transaction, Mr. Vallée will continue to serve as Chief Financial Officer of the Issuer in consideration of which he will receive a monthly fee of \$2,500. Currently, Mr. Vallée receives compensation in the form of professional fees for consulting services provided to the Issuer.

Belair Capital Partners Inc., together with its shareholders and affiliates, collectively owns, controls or has direction over, directly or indirectly, 59.58% of the 18,461,300 currently issued and outstanding Saratoga Shares. The acquisition of such Saratoga Shares was provided for in the LOI and was not conditional upon closing of the Transaction. Further, upon closing of the Transaction, Belair Capital Markets, who has acted as financial advisor to Abba Medix, will receive warrants entitling it to acquire 5,511,723 Saratoga Shares, or 9% of the issued and outstanding Saratoga Shares, at any time during the 12-month period following closing at a price of \$0.25 per share. The assumption by Saratoga of the obligation to issue the options (in the form of warrants) to Belair Capital Markets was provided for in the LOI.

The related party elements of the Transaction described above are both exempt from the formal valuation requirement and the minority approval requirement set forth in *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* ("**Regulation 61-101**") pursuant to Sections 5.5(a) and 5.7(a) of Regulation 61-101 given that the fair market value of the consideration to be received by Mr. Vallée and by Belair Capital Markets does not exceed 25% of the Issuer's market capitalization.

Trading of the Issuer's shares has been halted since September 12, 2014 and the Transaction is expected to close in fewer than 21 days following the issuance of this Material Change Report. Given that the completion of the Transaction does not require shareholder approval other than as described in this Material Change Report, it is in the best interest of the Issuer and its shareholders to complete the Transaction as expeditiously as possible in order to have the Saratoga Shares listed and trading on the CSE. Accordingly, the Issuer believes that such shorter period is reasonable and necessary under the circumstances.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Further information can be obtained from Georges Durst, President and Chief Executive Officer of the Issuer, at (514) 220-2332.

Item 9 Date of Report

February 27, 2015.

SCHEDULE "A"

SARATOGA ELECTRONIC SOLUTIONS INC. EXECUTES SHARE EXCHANGE AGREEMENT FOR REVERSE TAKE-OVER WITH ABBA MEDIX CORP.

MONTREAL, QUÉBEC, February 24, 2015 – Saratoga Electronic Solutions Inc. ("Saratoga") (TSXV: SAR.H) announced today that it has executed the definitive share exchange agreement (the "Share Exchange Agreement") with Abba Medix Corp. ("Abba Medix") and its shareholders (the "Abba Medix Shareholders") pursuant to which Saratoga will acquire all of the issued and outstanding shares of Abba Medix in exchange for shares of Saratoga (the "Transaction").

Pursuant to the Transaction, the Abba Medix Shareholders will receive 32 common shares of Saratoga ("Saratoga Shares") for each of the 1,336,877 Class A common shares of Abba Medix currently issued and outstanding. Upon closing of the Transaction, Saratoga will issue from treasury an aggregate of 42,780,064 Saratoga Shares to the Abba Medix Shareholders. Following such issuance, there will be an aggregate of 61,241,364 Saratoga Shares issued and outstanding. Based on the foregoing, following completion of the Transaction, the current holders of Saratoga Shares will hold approximately 30.15% of the outstanding Saratoga Shares and the Abba Medix Shareholders will hold approximately 69.85% of the outstanding Saratoga Shares.

Contemporaneously with the closing of the Transaction, the founding shareholders of Abba Medix shall enter into an escrow agreement pursuant to which they will be restricted from selling the 32,000,000 Saratoga Shares held by them for the first three years following the closing of the Transaction, with 25% of their shares being released from escrow on each of the third and fourth anniversaries of the closing of the Transaction, and the remaining 50% of their shares being released on the fifth anniversary.

In addition, upon closing of the Transaction, Belair Capital Markets, who has acted as financial advisor to Abba Medix, will receive options entitling it to acquire 5,511,723 Saratoga Shares at any time during the 12-month period following closing at a price of \$0.25 per share.

Completion of the Transaction is subject to regulatory approval and standard closing conditions. In addition, closing of the Transaction is conditional upon the Saratoga Shares being delisted from the NEX board of the TSX Venture Exchange (the "TSXV"). Saratoga and Abba Medix have received conditional listing approval to have the Saratoga Shares listed on the Canadian Securities Exchange (the "CSE") further to a listing application filed with the CSE. Provided that all of the conditions set forth in the conditional listing approval letter of the CSE are satisfied, it is anticipated that the Saratoga Shares will commence trading on the CSE upon the closing of the Transaction. As the Transaction will only be completed following the delisting of the Saratoga Shares from the NEX board of the TSXV, the TSXV will not be reviewing the terms and conditions of the Transaction nor any materials that may be delivered to shareholders in connection therewith.

Saratoga has been advised by the TSXV that no shareholder approval will be required in connection with (i) the delisting of the shares of Saratoga from the TSXV or (ii) the completion of the Transaction following the delisting of the Saratoga Shares. The CSE has advised that shareholder approval in respect of the Transaction will be required for the purpose of listing the Saratoga Shares on the CSE and that such approval may be obtained through a written instrument of shareholders holding at least 50% of the outstanding Saratoga Shares without the requirement of any general dissemination of information to shareholders beyond the normal press release obligations applicable to Saratoga and the filing of a copy of the CSE listing

statement on the System for Electronic Document Analysis and Retrieval at www.sedar.com concurrently with its filing with the CSE. Shareholders of Saratoga holding more than 60% of the Saratoga Shares are expected to indicate in writing to the CSE that they approve the Transaction.

Trading of the Saratoga Shares has been halted since September 12, 2014 and the Transaction is expected to close in fewer than 21 days following the issuance of this news release. Given that the completion of the Transaction does not require shareholder approval other than as described in this news release, it is in the best interest of Saratoga and its shareholders to complete the Transaction as expeditiously as possible in order to have the Saratoga Shares listed and trading on the CSE. Accordingly, Saratoga believes that such shorter period is reasonable and necessary under the circumstances.

Following completion of the Transaction, it is expected that the Board of Directors of Saratoga will be comprised of five directors, as follows:

- two directors nominated by Saratoga, being Georges A. Durst and one other individual to be named at a later date (the “**Saratoga Representatives**”); and
- three directors nominated by the founding Abba Medix shareholders, being Ray Rasouli, Paul Cancilla and Nick Migliore (the “**Abba Medix Representatives**”).

Upon completion of the Transaction, Messrs. Don Seal and Martin Fontaine will resign from the Board of Directors of Saratoga and the vacancies created by such resignations and by Mr. Alfredo Perez’s resignation on August 11, 2014 will be filled by the Abba Medix Representatives. The parties will undertake to nominate the Abba Medix Representatives and the Saratoga Representatives for election to the Board of Directors of Saratoga at its subsequent shareholders’ meetings at which directors are elected.

About Saratoga

Saratoga does not currently have any commercial operations. Since the earlier disposition of its automated teller machine business, Saratoga has been carrying out a review of its strategic alternatives, which review has led to the execution of the Share Exchange Agreement.

About Abba Medix

Abba Medix is an Ontario corporation established in 2013 to capitalize on the dramatically changing rules governing medical marijuana production in Canada. On April 1, 2014, Health Canada eliminated the ability of the approximately 37,000 Canadians currently licensed to possess marijuana for medicinal use to grow their own marijuana or have it grown on their behalf. From this point forward, these users must purchase medical marijuana from commercial suppliers licensed by Health Canada.

Abba Medix filed an application with Health Canada in November of 2013 to obtain a license to produce and distribute marijuana under the federal *Marihuana for Medical Purposes Regulations* (the “License”). Abba Medix has secured a 45,000 square foot facility to support its production plan and has invested over \$1,000,000 in the first phase of the plan that includes 15,000 square feet of production space. Abba Medix will continue to build out the facility as production demand increases.

While there can be no guarantee as to the successful outcome of Abba Medix's application for the License nor as to the timeframe within which such application will be processed by Health Canada, it is Abba Medix's goal to create one of the most technologically advanced and secure facilities in Canada in compliance with applicable rules and regulations.

Since the announcement of the Transaction, Abba Medix has raised an aggregate of \$2,526,400 pursuant to private placements of its securities.

Forward-Looking Information

This press release contains forward-looking information based on current expectations. Statements about the delisting of the Saratoga Shares from the TSXV, the listing of the Saratoga Shares on the CSE, the issuance of permits to Abba Medix by Health Canada, the closing of the Transaction and the parties' ability to satisfy the closing conditions and receive all necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. Saratoga assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information please contact:

Saratoga Electronic Solutions Inc.
Georges A. Durst, Chief Executive Officer
Tel: (514) 220-2332

Abba Medix Inc.
Ahmad Rasouli, President and Chief Executive Officer
Tel: (905) 492-9420