

Form 51-102F3

MATERIAL CHANGE REPORT

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

Innovative Properties Inc. d/b/a Nabis Holdings ( “Nabis” or the “Company”)  
488 – 1090 West Georgia Street  
Vancouver, B.C. V6E 3V7

**Item 2. Date of Material Change**

March 26, 2019

**Item 3. News Release**

A News Release dated March 26, 2019 was disseminated via GlobeNewswire and filed on SEDAR on March 26, 2019.

**Item 4. Summary of Material Change**

The Company announced that it has completed a private placement offering of debenture units at the issue price of C\$1,000 per debenture unit for gross proceeds of \$35,088,000.

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

**5.1 Full Description of Material Change**

The Company announced that, further to its news release dated March 7, 2019, the Company has completed a private placement offering of debenture units (“**Debenture Units**”) of Nabis at the issue price of C\$1,000 per Debenture Unit for gross proceeds of \$35,088,000, including the partial exercise of the Agents’ option (the “**Offering**”). The Offering was co-led by Canaccord Genuity Corp. and Eventus Capital Corp., together with a syndicate of agents that included Desjardins Securities Inc. (collectively, the “**Agents**”).

Each Debenture Unit is comprised of C\$1,000 principal amount of unsecured convertible debentures of Nabis (the “**Convertible Debentures**”) and 1,111 common share purchase warrants of Nabis (the “**Warrants**”). Each Warrant shall be exercisable to acquire one common share of Nabis (“**Common Share**”) at an exercise price of C\$1.10 per Common Share (“**Exercise Price**”) until March 26, 2022 (the “**Expiry Date**”).

The Convertible Debentures will mature on March 26, 2022 (the “**Maturity Date**”) and will bear interest at 8.0% per annum, payable on the last day of each calendar quarter. The Convertible Debentures are convertible, at the option of the holder, into Common Shares at any time prior to the close of business on the last business day immediately preceding the Maturity Date at a conversion price of C\$0.90 per Common Share

(the “**Conversion Price**”). At any time after July 27, 2019, the Company may force the conversion of all of the principal amount of the then outstanding Convertible Debentures at the Conversion Price if the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange (the “**CSE**”) is greater than C\$1.65 for the preceding 10 consecutive trading days. Holders having their Convertible Debentures converted will receive accrued and unpaid interest thereon in cash. After March 26, 2020, the Company may redeem, upon giving the Convertible Debenture holders not less than 30 days’ and not more than 60 days’ notice, the Convertible Debentures at a price equal to the then outstanding principal amount, including all accrued and unpaid interest.

Commencing on July 27, 2019, the Company may accelerate the Expiry Date of the Warrants if the daily volume weighted average trading price of the Common Shares on the CSE is greater than C\$2.50 for the preceding 10 consecutive trading days. If the Company exercises its Warrant acceleration right, the new Expiry Date of the Warrants will be not less than 30 days following the notice of such exercise. Further details on the Debenture Units can be found in the Company’s filings on [www.sedar.com](http://www.sedar.com).

The Agents received a cash commission on the sale of the Debenture Units of 6% of the gross proceeds of the Offering, plus expenses, including legal fees. The Agents also received 1,855,334 broker warrants, each carrying the right to purchase one unit (each, a “**Broker Unit**”) at a price of \$0.90 per Broker Unit until March 26, 2021. Each Broker Unit consists of one Common Share and one Warrant.

The net proceeds of the Offering will be used to fund cannabis related investments, for strategic investment opportunities and for general working capital purposes.

**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**

None.

**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:

Shay Shnet, Chief Executive Officer and Director  
Telephone: 604-687-7130

**Item 9. Date of Report**

DATED at Vancouver, British Columbia, this 4<sup>th</sup> day of April, 2019.