

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Prospect Park Capital Corp. (the “Company”)
100 King Street West, Suite 6000
1 First Canadian Place
Toronto, Ontario M5X 1E2

2. Date of Material Change

January 19, 2021

3. News Release

A news release with respect to the material change referred to in this report was disseminated on January 19, 2021 through GlobeNewswire and filed on the system for electronic document analysis and retrieval (SEDAR).

4. Summary of Material Change

The Company completed a non-brokered private placement for gross proceeds of \$998,512.46 through the issuance of 4,754,821 common shares of the Company at \$0.21 per share. In addition, the Company issued an aggregate of 526,713 units of the Company at a deemed price of \$0.21 per unit in satisfaction of \$110,610.52 (including accrued interest) of indebtedness pursuant to promissory notes issued in January 2020.

5. Full Description of Material Change

5.1 Full Description of Material Change

The material change is fully described in the news releases attached hereto.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) of Regulation 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For additional information, please contact James Greig, Chief Executive Officer of the Company, at (778) 788-2745.

9. Date of Report

January 22, 2021

PROSPECT PARK ANNOUNCES CLOSING OF PRIVATE PLACEMENT

Vancouver, British Columbia – January 19, 2021 – Prospect Park Capital Corp. (the “**Company**”) (TSXV:PPK), is pleased to announce that it has successfully closed its previously announced non-brokered private placement (the “**Offering**”). Pursuant to the Offering, the Company raised gross proceeds of \$998,512.46 through the issuance of 4,754,821 common shares of the Company at \$0.21 per share. The net proceeds of the Offering will be used by the Company for working capital.

In connection with the Offering, the Company paid registered dealers and finders (i) an aggregate cash commission of \$62,947.20, and (ii) non-transferable compensation options to purchase 299,748 common shares of the Company at an exercise price of \$0.21 per share for a period of twenty-four (24) months from closing.

All three directors of the Company participated in the Offering accordingly such transactions are each a “related party transaction” as defined under Multilateral Instrument 61-101 (“MI 61-101”). The transactions are exempt from the formal valuation requirements of MI 61-101 since none of the securities of the Company are listed on a stock exchange specified in section 5.5(b) thereof. The proposed transactions are exempt from the minority shareholder approval requirements of MI 61-101 since, at the time the transactions were agreed to, neither the fair market value of the transaction nor the fair market value of the consideration for the transaction, insofar as it involves interested parties, exceeded 25% of the Company’s market capitalization.

In addition, the Company has closed its previously announced securities for debt transactions with seven lenders, pursuant to which it issued an aggregate of 526,713 units of the Company at a deemed price of \$0.21 per unit in satisfaction of \$110,610.52 (including accrued interest) of indebtedness pursuant to promissory notes issued in January 2020. Each unit consists of one (1) common share of the Company and one (1) warrant with each warrant exercisable for one (1) common share of the Company at \$0.28 per share for twenty-four (24) months from closing.

Including the issuance of shares detailed herein, there are now 10,782,358 common shares of the Company issued and outstanding.

All securities issued pursuant to the Offering and the securities for debt transactions are subject to a four-month hold.

For more information please contact: James Greig
Chief Executive Officer
Prospect Park Capital Corp.
Tel: (778) 788-2745

Certain statements contained in this news release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to the Company, including completion of the Offering, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, and current information available to the Company, and are subject to certain risks, uncertainties and assumptions, including, without limitation: receipt of Exchange final approval for the Offering. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. These factors include, without limitation: receipt of Exchange final approval of the Offering; changes in law; the ability to implement business strategies and pursue business opportunities; state of the capital markets; the availability of funds and resources to pursue operations; risks related to COVID-19 including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; and other general economic, market and business conditions and factors, including the risk factors discussed or referred to in the Company's disclosure documents, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover,

the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this news release is made as of the date of this news release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable 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.