

FORM 51-102F3
Material Change Report

1. Name and Address of Company:

Anchor Capital Corporation ("**Anchor**" or the "**Corporation**")
1600, 333 - 7th Avenue SW
Calgary, AB T2P 2Z1

2. Date of Material Change(s):

June 17, 2016

3. News Release:

A news release disclosing the material change described below was issued on June 17, 2016, and disseminated through the facilities of Marketwired.

4. Summary of Material Change(s):

Anchor announced details concerning its proposed qualifying transaction involving a proposed business combination with Intraline Medical Aesthetics PTY Limited ("**Intraline**").

Anchor has entered into a non-binding letter agreement with Intraline dated May 25, 2016 (the "**Letter Agreement**"), pursuant to which Anchor and Intraline intend to complete a business combination (the "**Transaction**") to form a new company ("**Newco**") named "Intraline Medical Aesthetics Inc." Upon completion of the Transaction, Newco will continue to carry on the business of Intraline and Newco is expected to be a Tier 2 industrial issuer. Pursuant to the Transaction, it is expected that an aggregate of 14,258,714 common shares in the capital of Newco (the "**Newco Common Shares**") will be issued to the shareholders of Intraline in exchange for all of the issued and outstanding shares of Intraline (the "**Intraline Common Shares**") at a deemed price of CAD\$0.35 per Newco Common Share for an aggregate deemed consideration of CAD\$4,990,549.90, exclusive of (i) Newco Common Shares issued to subscribers under the Intraline Private Placement (as defined in the news release) and the Intraline Bridge Financing (as defined in the news release); and (ii) the Newco Performance Shares (as defined in the news release).

Each 2.5 of the 5,514,000 issued and outstanding common shares in the capital of Anchor will be consolidated into one Newco Common Share for an aggregate of 2,205,600 Newco Common Shares.

Each 2.5 outstanding stock options and agents' options of Anchor will be exchanged for one stock option or agent's option of Newco and the exercise price will be adjusted proportionately in accordance with their respective terms.

It is intended that the Transaction, when completed, will constitute the qualifying transaction of the Corporation pursuant to Policy 2.4 of TSX Venture Exchange Inc. Corporate Finance Manual. The Transaction is an arm's length transaction and is subject to the policies of TSX Venture relating to qualifying transactions, as well as shareholder approval of each of Anchor and Intraline.

5.1 Full Description of Material Change:

Please see the press release attached as Schedule "A" hereto.

5.2 Disclosure for Restructuring Transaction:

Not applicable.

6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer Knowledgeable of Material Change:

Douglas M. Stuve
Director
Telephone: (403) 234-3337

9. Date of Report:

June 20, 2016

SCHEDULE "A"

ANCHOR CAPITAL CORPORATION ANNOUNCES PROPOSED QUALIFYING TRANSACTION

TSX Venture: ANC.P

FOR IMMEDIATE RELEASE

CALGARY, ALBERTA – June 17, 2016 – Anchor Capital Corporation ("**Anchor**" or the "**Corporation**") is pleased to announce details concerning its proposed qualifying transaction involving a proposed business combination with Intraline Medical Aesthetics PTY Limited ("**Intraline**"). Intraline is a private global aesthetic pharmaceutical company, whose key products consist of minimally invasive and non-invasive preventative and restorative medical aesthetic and cosmetic products, such as injectable hyaluronic acid dermal fillers, topical products and soon to be added implantable polydioxanone thread products.

Summary of the Proposed Qualifying Transaction

Anchor has entered into a non-binding letter agreement with Intraline dated May 25, 2016 (the "**Letter Agreement**"), pursuant to which Anchor and Intraline intend to complete a business combination (the "**Transaction**") to form a new company ("**Newco**") named "Intraline Medical Aesthetics Inc." Upon completion of the Transaction, Newco will continue to carry on the business of Intraline and Newco is expected to be a Tier 2 industrial issuer. Pursuant to the Transaction, it is expected that an aggregate of 14,258,714 common shares in the capital of Newco (the "**Newco Common Shares**") will be issued to the shareholders of Intraline in exchange for all of the issued and outstanding shares of Intraline (the "**Intraline Common Shares**") at a deemed price of CAD\$0.35 per Newco Common Share for an aggregate deemed consideration of CAD\$4,990,549.90, exclusive of (i) Newco Common Shares issued to subscribers under the Intraline Private Placement (as defined below) and the Intraline Bridge Financing (as defined below); and (ii) the Newco Performance Shares (as defined below).

In addition, an aggregate of 1,287,714 Newco Common Shares will be issued to Reece Tomlinson, the current Chief Executive Officer of Intraline, and Terry Fraser, the current President of Intraline, representing a debt settlement for deferred salary accrued by such individuals to date or to be accrued prior to closing of the Transaction, subject to review and approval of TSX Venture Exchange Inc. (the "**TSX Venture**").

The shareholders of Clermont Capital Partners Inc. ("**Clermont**") will receive an aggregate of 714,286 Newco Common Shares as partial payment of the Finders Fee contemplated in conjunction with Opus 3 Capital Inc. ("**Opus**").

Each 2.5 of the 5,514,000 issued and outstanding Anchor Common Shares (as defined below) will be consolidated into one Newco Common Share for an aggregate of 2,205,600 Newco Common Shares.

Each 2.5 outstanding stock options and agents' options of Anchor will be exchanged for one stock option or agent's option of Newco and the exercise price will be adjusted proportionately in accordance with their respective terms.

In connection with the Transaction, Opus shall be paid a finder's fee of CAD\$282,500 comprised of: (i) CAD\$32,500 payable in cash; and (ii) the issuance of 714,286 Newco Common Shares.

It is intended that the Transaction, when completed, will constitute the qualifying transaction of the Corporation pursuant to Policy 2.4 of TSX Venture Corporate Finance Manual. The Transaction is an arm's length transaction and is subject to the policies of TSX Venture relating to qualifying transactions, as well as shareholder approval of each of Anchor and Intraline.

About Intraline

Intraline is a global innovative Medical Aesthetic pharma company, with a growing portfolio of minimally invasive and non-invasive preventative and restorative medical aesthetic and cosmetic

products, which are sold directly to clinics, doctors, dermatologists, dentists and nurses, and indirectly to resellers and distributors.

Intraline's key products consist of minimally invasive and non-invasive preventative and restorative medical aesthetic and cosmetic products, such as injectable hyaluronic acid dermal fillers, topical products and soon to be introduced implantable polydioxanone thread products. All of Intraline's products, not including topical products, are class III medical devices.

The product portfolio currently consists of the following:

- Intraline One Hyaluronic Acid Dermal Filler – *Injectable Product*.
- Intraline Two Hyaluronic Acid Dermal Filler – *Injectable Product*.
- Intraline Mens Hyaluronic Acid Dermal Filler – *Injectable Product*.
- PDO (Polydioxanone) threads – *Implantable Product*.
- Hyaluronic Acid Restorative Moisturizer with Sea Buckthorn Oil – *Cosmetic Product*.
- Bio cellulose Vitamin B3 Face Masque – *Cosmetic Product*.

Intraline currently has distribution agreements to sell its core products in six countries being Israel, Turkey, Mexico, South Korea, China and Croatia, and has recently launched a direct sales force in the United Kingdom. Intraline intends to launch a direct sales force throughout Europe, North America and Australia while continuing to promote sales through resellers and distributors in high-growth emerging markets such as South America, Africa and other parts of Asia. In 2016, Intraline intends to launch a direct sales force in the German speaking markets of Germany, Switzerland and Austria.

Intraline Corporate History and Structure

Intraline is a private corporation incorporated in the Republic of Singapore on January 26, 2015. Intraline's head office is located at 1050 Richter Street, Kelowna, British Columbia, Canada, and has an office located in London, United Kingdom. Intraline has wholly owned subsidiaries in Canada and the United Kingdom.

There are currently 2,474,875 Intraline common shares issued and outstanding.

An additional 500,000 "restricted" Intraline Common Shares were issued to Reece Tomlinson, Intraline's COO. These shares are linked to certain performance milestones and are redeemable by Intraline for nominal consideration if the following cumulative sales targets are not met:

33.33% are subject to redemption if Intraline fails to achieve CAD\$15,000,000 in cumulative sales by June 30, 2019;

33.33% are subject to redemption if Intraline fails to achieve CAD\$27,500,000 in cumulative sales by June 30, 2019; and

33.33% are subject to redemption if Intraline fails to achieve CAD\$40,000,000 in cumulative sales by June 30, 2019.

In accordance with the ~ 5.76:1 exchange ratio, Newco will issue an aggregate of 2,886,148 equivalent "restricted" Newco Common Shares (the "**Newco Performance Shares**"), subject to the same performance targets and redemption rights described above, upon closing of the Transaction.

Intraline has no stock options, warrants, anti-dilution or other rights to purchase Intraline Common Shares issued or outstanding.

Terry Fraser of Kelowna, British Columbia is the only Control Person (as such term is defined in TSX Venture policies) of Intraline and is the beneficial owner of an aggregate of 56.0% of the issued and outstanding Intraline Common Shares.

Intraline has executed six exclusive distribution agreements to sell its key products in Israel, Turkey, South Korea, China, Mexico and Croatia. The aggregate annual minimum purchase obligations for the

company's Intraline One, Intraline Two, and Intraline Mens Hyaluronic Acid Dermal Fillers will equate to total aggregate revenues of approximately CAD\$7 million in all jurisdictions within the first twelve months of Intraline receiving regulatory approval in the respective jurisdictions for each agreement. Intraline has filed applications for regulatory approvals with all of the relevant domestic regulators, as of June 1, 2016 it has received regulatory approval in two of the six jurisdictions, being Turkey and Croatia.

Intraline is in the process of issuing additional securities of Intraline as part of a maximum CAD\$750,000 bridge financing, which Intraline expects to continue to offer on a private placement (the "**Intraline Bridge Financing**"). In connection with the Intraline Bridge Financing, Intraline intends to pay a cash commission to Clermont of up to 7% of the gross proceeds received.

Summary of the Proposed Concurrent Financing

Pursuant to the Letter Agreement, the parties have agreed to use their "commercially reasonable efforts" to cause Intraline to complete a private placement (the "**Intraline Private Placement**") of subscription receipts of Intraline (the "**Subscription Receipts**") at a price of CAD\$0.35 per Subscription Receipt for gross proceeds of a minimum of CAD\$3,000,000 and a maximum of CAD\$5,000,000. Each Subscription Receipt will be automatically converted into one Newco Common Share concurrent with the completion of the Transaction at no additional cost to the holder. Intraline intends to engage a syndicate of agents to be determined (the "**Agents**") to act as agents on a "commercially reasonable efforts" basis for the Intraline Private Placement, and in connection therewith intends to pay a commission to the Agents of up to 7% with a minimum of 5.5% going to the selling group participants. The Agents will also be granted 7% broker warrants in connection with the Private Placement (the "**Broker Warrants**"), each Broker Warrant entitling the holder to purchase one Newco Common Share at a price of CAD\$0.35 per share for a period of 18 months from the date of closing of the Transaction. A further press release announcing additional details will be issued in due course.

The net proceeds from the Intraline Private Placement will be used to execute on existing contracts, help establish a Polydioxanone (PDO) thread manufacturing facility, expand Intraline's footprint into new geographic markets, and for general working capital purposes. Furthermore, net proceeds will also be utilized to accelerate new product development, and to perform additional product testing to be used in the regulatory applications for the United States and Canadian markets. The parties agree the net proceeds of the Intraline Private Placement will be held in escrow and released concurrent with the completion of the Transaction.

Summary of Proposed Directors and Officers

The Board of Directors of Newco is expected to consist of five directors, including Terry Fraser (the current President of Intraline), Arlene Dickinson (a current director of Anchor), three nominees of Intraline, provided that such persons are eligible to act as directors pursuant to the requirements of applicable corporate legislation and subject to approval of TSX Venture.

Upon completion of the Transaction, the officers of Newco will be appointed by the Board of Directors of Newco and will include Terry Fraser as President, Reece Tomlinson as Chief Operating Officer, Sandip Badyal as Director of Regulatory Affairs, Blair French as Vice-President of Marketing, Kaz Zvanitajs as Vice-President of People & Culture, and a Chief Financial Officer and Corporate Secretary to be determined and announced at a later date.

The following is a brief description and jurisdiction of residence of each of the proposed members of management and directors of Newco.

**Terry Fraser – President
Kelowna, Canada**

Mr. Fraser founded Intraline Lifestyle Aesthetics on January 26, 2015 and has been the President since March 2015. Prior to Intraline, Mr. Fraser was the President of Hey! You! Marketing Ltd., a medical technology and distribution company, from January 2011 to March 2015. Mr. Fraser graduated in 1992 with a degree in Pharmacy from the University of Manitoba and proceeded to enter academia as he pursued his Ph.D. in Pharmacokinetics, specifically the study of the absorption, distribution, metabolism, and excretion of drugs. He then transitioned to the business world in 1999 opening Smart Med Pharmacy in Roblin, Manitoba and was one of the early entrants into the Canadian Internet Pharmacy industry, which was founded in Manitoba. Industry wide consolidation trends resulted in the successful sale of the internet business to Rx1.biz in 2005. Recognizing the niche market potential of hyaluronic acid injectables, he became an industry leader in the international B2B sales of orthopedic and aesthetic injectable products with the business which would become RxPad Medical Sales Group Ltd.

A successful exit in 2014 spawned the vision and opportunity which is now Intraline. Mr. Fraser earned his PHD Candidacy in Pharmacokinetics from the University of Manitoba. He was awarded a five year Medical Research Council Scholarship, the Leslie F. Buggery Bursary for General Excellence, Flexon Silver Medal in Medicinal Chemistry, and the Deans Honours List for all his years in the Pharmacy program. Mr. Fraser previously served on the board of directors for Pharmasave, as well as the President of the Chamber of Commerce in Roblin, Manitoba for a number of years.

**Reece Tomlinson, MBA, CPA, CMA – Chief Operating Officer
Kelowna, Canada**

Mr. Tomlinson has been the Chief Operating Officer of Intraline since March 2015. Prior to joining Intraline, Mr. Tomlinson was employed by M&L General Contracting Ltd. (and its various subsidiaries) from February 2009 to October 2014, and has acted as a consultant for various companies since 2013. He has held senior roles as Chief Executive Officer and General Manager of manufacturing and construction firms with sales of up to \$40,000,000 and up to 150 employees.

Throughout his career, Mr. Tomlinson has formed extensive Eurozone and Asia-Pacific business experience and conducted business dealings in over 20 countries. In addition, he has led companies to several Canadian Business Magazine Profit Awards for fastest growing companies in Canada, where he previously achieved an average sustained revenue growth rate of 68% per year.

Mr. Tomlinson is a Chartered Professional Accountant and holds a Bachelor of Management, a Graduate Diploma in Management, a Master's Degree in Business Administration from Athabasca University, and has completed various training courses including executive education from the Massachusetts Institute of Technology and the Sloan School of Management. He is an active member of Entrepreneur Organization, a member of the Business Advisory Council for the Athabasca University Faculty of Business, acts as a business advisor for several companies, and a member of Futurepreneur.

**Sandip Badyal, PhD – Director of Regulatory Affairs
Kelowna, Canada**

Ms. Badyal has been the Director of Regulatory Affairs for Intraline since September 2015. Prior to Intraline she respectively held contract positions with Lions Gate Regulatory Science Inc., STEMCELL Technologies, and Hospira from December 2014 to September 2015, February 2015 to August 2015 and January 2014 to August 2014. Prior to that she was a Regulatory Science Partner with Two Hats Regulatory Science from July 2011 to June 2013. Ms. Badyal was drawn to a career in regulatory affairs and pursued this avenue with great passion. She was offered the opportunity to co-partner a regulatory affairs consultancy in Hamburg, Germany where she quickly learnt and exceeded in the requirements of her role, as well as the day-to-day running of a consultancy. In a short space of five years, Ms. Badyal has excelled in the field regulatory affairs, providing clients with streamline solutions for generating regulatory documents, researching scientific solutions for questions raised by health authorities and providing scientific review from a chemistry and biological perspective. In order to remain updated with the ever changing regulations Ms. Badyal has attended a number of regulatory conferences across the

globe and recently attended BSI training on Medical Device - Quality Management Systems and RAPS Convergence.

Ms. Badyal holds dually holds a Masters of Chemistry, and a PhD in Biochemistry from the University of Leicester, England.

**Blair French – Vice President of Marketing
Kelowna, Canada**

Mr. French has been the Vice President of Marketing for Intraline since April 2015. Prior to that he respectively held positions with FreshGrade and Acro Media as Head of Marketing from September 2014 to May 2015, and April 2013 to September 2015. Prior to that he was a Director of Marketing for Quality Garments from September 2012 to May 2013.

Mr. French has extensive experience throughout Europe and the Middle East through his tenure as a Brand Manager for Fairmont Hotels & Resorts from May 2010 to September 2012. During his fifteen years in marketing, Mr. French received the Innovation Award at the 2008 BC Injury Prevention Conference for BrainTrust Canada and the Ontario Economic Development Marketing Award for creative and branding of the Small Business Forum "Dream Up".

Mr. French holds a Bachelor of Science from the University of British Columbia in Cell Biology and Molecular Genetics, and an Honours Diploma in Communication from the British Columbia Institute of Technology.

**Kaz Zvanitajs – Vice President of People and Culture
Kelowna, Canada**

Ms. Zvanitajs has been the Vice President of People and Culture for Intraline since June 2015. Prior to that she was a Director of People and Culture at Okanagan Pharmaceuticals Inc. from January 2015 to June 2015. Prior to her tenure with Okanagan Pharmaceuticals, she was respectively an Executive Assistant with Hey! You! Marketing Ltd. from January 2013 to January 2015, and with Remax from February 2010 to January 2013. Kaz obtained her Bachelor of Arts from the University of Waterloo. She has also taken courses through the Sauder School of Business, as well as certification courses through the Human Resources Professionals Association.

**Arlene Dickinson – Board Member
Toronto, Canada**

Ms. Dickinson is the owner and Chief Executive Officer of Venture Communications, a company she joined in 1988 and grew from a small, local firm to one of the largest independent marketing agencies in Canada. She is also the Chief Executive Officer of District Ventures and Youinc.com, companies that help market, fund and grow entrepreneurs and their companies. She is a two time best-selling author, frequent speaker and is best known to Canadians as one of the venture capitalists on the award-winning CBC series Dragons' Den. Ms. Dickinson has been recognized with honors, including Canada's Most Powerful Women Top 100, the Pinnacle Award for Entrepreneurial Excellence, as well as PROFIT and Chatelaine's Top 100 Women Business Owners and is a Marketing Hall of Legends inductee. Ms. Dickinson sits on the Leadership Council of the Perimeter Institute for Theoretical Physics, several boards including the Omers Venture advisory board and is a recipient of The Queen Elizabeth II Diamond Jubilee Medal.

Ms. Dickinson is an Honorary Captain of the Royal Canadian Navy and the recipient of honorary degrees from Mount Saint Vincent University, Saint Mary's University and the Northern Alberta Institute of Technology.

Information Concerning Anchor

Anchor is a capital pool company within the meaning of the policies of TSX Venture and the common shares of Anchor (the "**Anchor Common Shares**") are listed for trading on TSX Venture. Anchor currently has 5,514,000 Anchor Common Shares outstanding, stock options outstanding to acquire 551,400 Anchor Common Shares at a price of CAD\$0.10 per share until December 2, 2024, and agent's options outstanding to acquire 351,400 Anchor Common Shares at a price of CAD\$0.10 per share until December 2, 2016. As at December 31, 2015, Anchor had cash and near cash assets, net of liabilities, of approximately CAD\$210,000.

Other Matters Concerning the Qualifying Transaction

The completion of the Transaction is subject to the approval of the TSX Venture and all other necessary regulatory approvals. The completion of the Transaction is also subject to additional conditions precedent, including completion of the Intraline Private Placement for gross proceeds of a minimum of CAD\$3,000,000, shareholder approval of Anchor and Intraline, satisfactory completion of final due diligence reviews by the parties, board of directors approval of Anchor and Intraline, and certain other usual conditions for transactions of this nature.

Concurrent with the closing of the Transaction, the current founding shareholders of Anchor will transfer within escrow an aggregate of 1,000,000 Anchor Common Shares at a price of CAD\$0.07 per share to Mark A. Lawson, advisor to Intraline, subject to the receipt of all necessary regulatory approval.

Anchor will apply to TSX Venture for an exemption from the sponsorship requirements in connection with the Transaction on the basis of the Intraline Private Placement. There is no assurance that such exemption will be granted. If such exemption is not granted, Anchor will be required to engage a sponsor for the Transaction.

Trading of the Anchor Common Shares is currently halted and will not resume until all documents required by TSX Venture in respect of the Transaction have been filed and TSX Venture is otherwise satisfied that the halt should be lifted. Anchor will issue a further news release when TSX Venture has received the necessary documentation and trading of the Anchor Common Shares is to resume.

Further information on the Transaction, including financial information on Intraline, will be provided in a subsequent news release.

For further information contact Douglas Stuve, a Director of Anchor at (403) 234-3337, Terry Fraser the President of Intraline at (250) 300-7499, Mark Lawson of Clermont at (647) 302-0393, Jeremy Ross of Opus at (604) 537-7556, Tyler Ross of Opus at (778) 834-8114.

As indicated above, completion of the Transaction is subject to a number of conditions, including but not limited to, TSX Venture acceptance and shareholder approval. The Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Information Circular or Filing Statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Corporation should be considered highly speculative.

Neither the TSX Venture nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture) has in any way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. Neither Intraline nor Anchor will update these forward-looking statements to reflect events or circumstances after the date hereof other than as required by applicable securities laws. Readers are therefore cautioned not to place undue reliance on any forward-looking statements. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by Anchor. Intraline has filed applications for regulatory approvals with all of the relevant domestic regulators, but no assurance can be given as to when, if at all in due course, such approvals are obtained, nor as to any conditions that may be stipulated therein.

The securities of Anchor being offered have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.