

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Izotropic Corporation (the “**Company**”)
800-15355 24th Avenue
Suite 424
Surrey, BC V4A 2H9

Item 2 Date of Material Change

October 30, 2020

Item 3 News Release

The news release dated October 30, 2020 was disseminated via The Newswire and Newsfile Corp.

Item 4 Summary of Material Change

On October 30, 2020, the Company announced that, further to its News Release of October 20, 2020, it has completed the second and final tranche of its non-brokered private placement financing (the “**Offering**”), whereby the Company issued 2,866,334 units (each, a “**Unit**”) at a price of \$0.55 per Unit for gross proceeds of \$1,576,483.70. The Company received an aggregate of \$4,060,870 from the first and second tranche of the Offering.

Each Unit consists of one common share and one transferable warrant (each, a “**Warrant**”), and each Warrant entitles the holder to purchase one additional share at a price of \$0.75 per share for a period of two years from closing of the Offering, subject to the Acceleration Right (as defined below) such that:

- (i) at any time after the date that is four months and one day after the issue date of the Warrants, if, for at least ten (10) consecutive trading days, the closing price at which the Shares trade on the Canadian Securities Exchange (the “**Exchange**”) each day exceeds \$1.25 per Share, the Company may issue a notice (the “**Acceleration Notice**”) to the holder (which Acceleration Notice will be given to the holder by the Company by disseminating a press release) to accelerate the expiry date of the Warrants (the “**First Acceleration Right**”);
- (ii) 50% of the then unexercised Warrants will terminate on the date that is thirty (30) days from the date of the Acceleration Notice in the event that the holder has not exercised the Warrants in accordance with the terms of the Acceleration Notice by such date;
- (iii) at any time after the date that is four months and one day after the issue date, if, for at least ten (10) consecutive trading days, the closing price at which the Shares trade on the Exchange each day exceeds \$1.75 per Share, the Company may issue a notice (the “**Second Acceleration Notice**”) to the holder (which Second Acceleration Notice will be given to the holder by the Company by disseminating a press release) to accelerate the expiry date of the Warrants (the “**Second Acceleration Right**” and together with the First Acceleration Right, the “**Acceleration Right**”), and
- (iv) 50% of the then outstanding Warrants will terminate on the date that is thirty (30) days from the date of the Second Acceleration Notice in the event that the holder has not exercised the Warrants in accordance with the terms of the Second Acceleration Notice by such date.

The use of proceeds from the Offering will be used for final engineering and product development of the Company's first commercial breast CT unit, production of commercial units, the initial FDA study; and general working capital.

The Company paid an aggregate of \$112,242.06 and issued an aggregate of 193,995 broker warrants in connection with the closing of the first and second tranche of the Offering. Each broker warrant will entitle the holder to purchase one additional share at a price of \$0.55 per share for a period of two years from closing of the respective tranche.

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

Item 5 Full Description of Material Change

The material change is fully described in Item 4 above.

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

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Robert L. Thast, Chief Executive Officer
Telephone: 1 (833) 496-2677

Item 9 Date of Report

November 10, 2020