

FORM 51-102F3
MATERIAL CHANGE REPORT

1. NAME AND ADDRESS OF COMPANY

Crystal Bridge Enterprises Inc.
439 Helmcken Street
Vancouver, BC V6B 2E6

2. DATE OF MATERIAL CHANGE

October 27, 2020

3. NEWS RELEASE

News release dated October 28, 2020 was disseminated via Canada Newswire.

4. SUMMARY OF MATERIAL CHANGE

Crystal Bridge Enterprises enters into arrangement agreement with Alpha Cognition Inc., and announces up to \$13 million private placement.

5. FULL DESCRIPTION OF MATERIAL CHANGE

Crystal Bridge Enterprises Inc. (the “**Company**”) is pleased to announce that, further to its news release dated July 14, 2020, the Company and Alpha Cognition Inc. (“**ACI**”), a private company incorporated under the *British Columbia Business Corporations Act*, have entered into an arrangement agreement dated October 27, 2020 (the “**Arrangement Agreement**”), pursuant to which the Company will acquire all of the issued and outstanding securities of ACI (the “**Transaction**”).

The Transaction is subject to the approval of the Exchange and is intended to constitute the Company’s Qualifying Transaction (as defined in Policy 2.4). The combined company resulting from the completion of the Transaction (the “**Resulting Issuer**”) will be renamed “Alpha Cognition Inc.” or such other name as agreed to by the Board of ACI. Upon closing of the Transaction, the business of the Resulting Issuer will be the business of ACI, and it is expected that the Resulting Issuer will be listed on the Exchange as a Tier 2 Consumer Products - Biotechnology/Pharmaceuticals issuer.

Alpha Cognition Inc.

ACI is a biopharmaceutical company headquartered in Vancouver, BC, focused on developing therapies for the treatment of neurodegeneration. ACI’s management and advisory team consists of industry professionals collectively having more than 180 years’ experience in all aspects of drug development.

ACI’s lead product candidate is Alpha-1062, a new patented drug developed for the treatment of Alzheimer’s Disease. With our ageing population, Alzheimer’s is a massive and growing problem with annual care and treatment costs in the United States alone estimated to be over US\$1 billion. The current approved therapies are symptomatic only and have significant gastrointestinal side effects including nausea, diarrhea, and vomiting. These existing treatments require a 4 to 6 week up-titration period to achieve an efficacious dosing while the patient builds tolerance. It is estimated that 30% of patients drop treatment or are non-compliant due to side effects.

Alpha-1062 is a next generation Alzheimer’s treatment offering alternative routes of administration. Our clinical program has successfully demonstrated significantly reduced gastrointestinal side effects when compared to existing Alzheimer’s treatments. This reduction in side effects allows immediate efficacious dosing, potentially resulting in improved adherence and compliance. Additionally, there is evidence that patients promoted more rapidly to higher doses of Alzheimer’s medications have better cognitive outcomes. ACI has approached the U.S. Food and Drug Administration (the “**FDA**”) who

have suggested that a single pivotal trial may be sufficient to obtain marketing approval. Similar regulatory discussions are ongoing with the Japanese Pharmaceuticals and Medical Devices Agency.

ACI is also developing Alpha-602, progranulin, a protein that has a potent ability to protect neurons that are under stress. Alpha-602 is a specific form of progranulin for the treatment of amyotrophic lateral sclerosis (“ALS”). The development program is advancing through pre-clinical development and toxicology programs, and the FDA has granted ACI an Orphan Drug Designation for the treatment of ALS.

Additional information about ACI and its research programs is available at www.alphacognition.com. Additional financial information with respect to ACI will be provided in the filing statement to be filed with the Exchange in connection with the Transaction.

Summary of the Transaction

The Arrangement Agreement provides that the Company will consolidate its issued and outstanding common shares on the basis of one post-consolidation common share for every existing 7.14 common shares of the Company and will acquire all of the issued and outstanding [common] shares of ACI (the “ACI Shares”) by way of a business combination. On Closing (as defined below), the ACI Shares will be acquired by the Company and, in consideration for such ACI Shares, each ACI shareholder (collectively, the “ACI Shareholders”) will receive one (1) common share in the capital of the Company (each, a “Company Share”) at a deemed price of C\$1.60 per Company Share for each one (1) ACI Share held by such shareholder, provided that certain US resident ACI Shareholders have agreed to receive a restricted voting share (a “Restricted Voting Share”) in place of a Company Share up to a total of 7 million Restricted Voting Shares. A Restricted Voting Share is equivalent to a Company Share except they will not be counted in a shareholder vote for the election of directors. In addition, holders of Class C Preferred shares of ACI will receive one (1) Class B Preferred Shares of the Company (“Class B Preferred Shares”) for each Class C Preferred share of ACI held by them.

It is expected that, immediately prior to the Closing, there will be 53,052,885 ACI shares issued and outstanding, of which, 45,136,505 are ACI Shares and 7,916,380 are ACI Class C Preferred shares.

Assuming the completion of the Transaction, the minimum subscription of the Concurrent Financing (as defined below), and that no convertible securities of the Company or ACI are exercised, a minimum of 62,948,893 shares, comprising Company Shares, Restricted Voting Shares and Class B Preferred Shares, of the Resulting Issuer are expected to be issued and outstanding on the Closing (as defined below), of which approximately 82.64% will be held by the former ACI Shareholders.

Closing of the Transaction is subject to a number of conditions, including: (i) Exchange approval of the Transaction; (ii) completion of the Concurrent Financing (as defined below); (iii) ACI shareholder approval; (iv) court approval of the arrangement pursuant to the Arrangement Agreement; (v) Company shareholder approval of the creation of the preferred shares and restricted voting shares; and (vi) other customary conditions (the “Closing”).

The Transaction is not a non-arm’s length transaction as defined under Policy 2.4.

ACI Private Placement

ACI and the Company are further pleased to announce that ACI has engaged Raymond James Ltd. (“Raymond James”), as lead agent and sole bookrunner, on behalf of a syndicate of agents (collectively, the “Agents”), in connection with a private placement offering of up to 8,125,000 subscription receipts of ACI at a price of C\$1.60 per subscription receipt (the “Subscription Receipts”) for aggregate gross proceeds of up to C\$13 million (the “Private Placement”). The Agents will be granted an option (the “Over-Allotment Option”), exercisable, in whole or in part, at any time on or before 9:00 a.m. (Eastern time) on the day prior to the closing of the Private Placement, to arrange for the sale of up to an additional 15% of the number of Subscription Receipts.

Each Subscription Receipt will be automatically exchanged, without payment of any additional consideration and without further action on the part of the holder thereof, into a unit of ACI (an “**ACI Unit**”) upon satisfaction of certain customary escrow release conditions. On closing of the Transaction, each ACI Unit will be automatically exchanged for a unit of the Resulting Issuer (a “**Resulting Issuer Unit**”), in accordance with the terms of the Arrangement Agreement. Each Resulting Issuer Unit will consist of a Resulting Issuer Share and one-half of one warrant of the Resulting Issuer (the “**Warrants**”). Each full Warrant may be exercised to acquire one Resulting Issuer Share at a price of C\$2.10 per share for a period of 24 months following the Closing Date (as defined below). The Company will use its best efforts to list the Warrants for trading on the Exchange following the Closing Date.

The Private Placement is expected to close in November 2020 (the “**Closing Date**”). On the Closing Date, the gross proceeds from the Private Placement less fifty percent (50%) of the Agents’ Cash Commission (as defined below) and the reasonable costs and expenses of the Agents payable by the Company will be delivered to and held by an escrow agent mutually acceptable to ACI and the Agents (the “**Escrow Agent**”) subject to customary escrow release conditions.

In the event that the Escrow Agent does not receive a release notice from ACI and the Company prior to 5:00 p.m. (Toronto time) on the date that is 90 days after the Closing Date or such later date as may be approved by holders of at least 66 2/3% of the Subscription Receipts, or if prior to such time, ACI advises the Agents or announces to the public that it does not intend to satisfy the escrow release conditions, the Escrow Agent will return to holders of Subscription Receipts an amount equal to the aggregate issue price of the Subscription Receipts held by them and their pro rata portion of any interest earned thereon.

In connection with the Private Placement, ACI has agreed to pay the Agents a cash commission (the “**Cash Commission**”) equal to 7% of the gross proceeds of the Private Placement. As additional consideration, the Agents will be granted, on the Closing Date, compensation options equal to 7% of the number of Subscription Receipts issued under the Private Placement at an exercise price per Common Share equal to the issue price of the Subscription Receipts.

The net proceeds of the Private Placement, when released to ACI, will be used: (i) for ongoing clinical testing and marketing of its Alpha-1062 and Alpha-602 formulations; (ii) to make payments related to the completion of the Transaction, (iii) for general and administrative expenses, and (iv) to contribute to working capital.

Directors and Officers of the Resulting Issuer

On closing of the Transaction, the board of directors of the Company will be reconstituted to include one (1) nominee of the Company and five (5) nominees of ACI. The nominee of the Company is expected to be Rob Bakshi, a current director and officer. It is expected that the following individuals will be appointed as management of the Resulting Issuer:

Kenneth Cawkell, LLB. – Director and Chief Executive Officer

Mr. Cawkell has been involved for over 25 years in the biotech industry as both a professional advisor, investor and as the founding principal of Alpha Cognition. Ken has gained extensive strategic and development experience as a result of his long-term association with numerous public and private biotechnology companies and he has been involved in several successful exits. He is a past member of the National Research Council of Canada IMB/ INH Advisory Board and a number of biotech industry associations.

Frederick Sancilio, Ph.D. – Director and President

Mr. Sancilio has over 35 years of experience in pharmaceutical development and research. He has founded several biopharmaceutical companies including aaiPharma (CDMO renamed Alcami), Endeavor Pharmaceuticals (acquired by Barr Laboratories now Teva) and Aesgen, Inc. (now owned by Pfizer). Fred has been a board member of both public and private pharmaceutical companies and served

as an advisor to Comvest Partners and Noble Financial Corporation; investment banking and investment organizations. More recently, he served as Research Professor at Florida Atlantic University. He was elected as a member of Sigma Xi, the Scientific Research Society of North America and holds both a Masters and Doctorate from Rutgers the State University of New Jersey.

Jeremy Wright – Chief Financial Officer

Mr. Wright has broad experience working with senior management developing strategies and solutions to business issues mainly related to corporate finance, cost and risk management, and governance which will serve invaluable in his role as a director of the Resulting Issuer. Mr. Wright is a Chartered Professional Accountant (Certified Management Accountant), currently serves as President and CEO of Seatrend Strategy Group and as a director for several public and private companies including: Centurion Minerals Ltd., AmWolf Capital Inc., Freeform Capital Partners Inc., and Demetra Minerals Inc. Mr. Wright previously served as a Director of Pacific Community Resources Society and the Canadian Freestyle Ski Association. In addition, Mr. Wright also serves as the CFO for several public and private companies, including: Portofino Resources Inc., Centurion Minerals Ltd., AmWolf Capital Inc., and Freeform Capital Partners Inc. He was previously the CFO for GTEC Holdings (ending August 2019), an ultra-premium cannabis producer having 3 operating licensed producers across Canada. Mr. Wright also holds a Bachelor of Arts, with honours in Environmental Economics from Brock University.

6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

7. OMITTED INFORMATION

Not applicable.

8. EXECUTIVE OFFICER

Rajeev (Rob) Bakshi, President and CEO
Tel: 604-761-2100

9. DATE OF REPORT

October 29, 2020