

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

World Mahjong Limited (the “**Company**”)
Suite 1128, 789 West Pender Street
Vancouver, BC Canada V6C 2X1

Item 2 Date of Material Change

June 9, 2017

Item 3 News Release

The news release attached hereto as Schedule “A” announcing the material change described herein was disseminated through the news dissemination services of Stockwatch and Baystreet on June 15, 2017.

Item 4 Summary of Material Change

The Company announced it had settled debt through a private placement transaction with various arm's length and non-arm's creditors. An aggregate obligation of \$453,841 was settled through the issuance of a total of 8,251,646 units (the “**Units**” and each, a “**Unit**”) at a deemed price of \$0.055 per Unit. Each Unit is comprised of one (1) common share in the capital of the company (a “**Common Share**”) and one (1) common share purchase warrant (a “**Warrant**”), whereby each Warrant is valid for a period of two (2) years from the date of issuance and convertible into a Common share at an exercise price of \$0.07.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the news release attached as Schedule “A” for a full description of the material change.

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

Not applicable.

Item 8 Executive Officer

Mark Lotz, Chief Executive Officer and Chief Financial Officer
Telephone: (604) 880-6546

Item 9 Date of Report

June 16, 2017

SCHEDULE "A"

WORLD MAHJONG LIMITED

Suite 1128, 789 West Pender Street
Vancouver, BC V6C 2X1



WORLD MAHJONG CLOSES DEBT SETTLEMENT

Vancouver, British Columbia – June 15, 2017 – World Mahjong Limited (CSE: WSM) ("World Mahjong" or the "Company") announces it has settled debt through a private placement transaction with various arm's length and non-arm's creditors. An aggregate obligation of \$453,841 was settled through the issuance of a total of 8,251,646 units (the "Units" and each, a "Unit") at a deemed price of \$0.055 per Unit.

Each Unit is comprised of one (1) common share in the capital of the company (a "Common Share") and one (1) common share purchase warrant (a "Warrant"), whereby each Warrant is valid for a period of two (2) years from the date of issuance and convertible into a Common share at an exercise price of \$0.07. The securities issued pursuant to the debt settlement were distributed in reliance on certain prospectus and registration exemptions available under applicable securities legislation and are subject to a four month hold period.

Pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), the debt settlement constitutes a "related party transaction" as an officer of the Company received an aggregate of Units of the Company in connection with the debt settlement. The Company relied on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the debt transaction with the officer did not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the debt settlement, which the Company deems reasonable in the circumstances as the Company wishes to improve its financial position by reducing its accrued liabilities.

Further, immediately upon closing of the aforementioned debt settlement, certain creditors, specifically Jason Chen ("Chen") with JHC Holdings Ltd. ("JHC Holdings"), a company controlled or directed by Jason Chen, and Cynosure Private Equity Limited ("Cynosure"), became insiders of the Company.

Prior to closing, Chen held control or direction of no Common Shares and now holds, directly and indirectly, 175,221 Common Shares and JHC Holdings held control or direction of no Common Shares and now holds 1,532,327. Therefore, collectively, Chen and JHC Holdings now hold an aggregate 1,707,548 Common Shares, representing approximately 10.37% of the issued and outstanding common shares of the Company, plus 1,707,548 Warrants. Assuming the exercise of the Warrants, Chen would own 350,442 and JHC Holdings would hold 3,064,654. Therefore, collectively, Chen and JHC Holdings would hold 3,415,096 Common Shares, representing approximately 18.79% of the common shares of the Company that would be issued and outstanding.

Prior to closing, Cynosure held control or direction of no Common Shares and now holds, directly and indirectly, 4,945,456 Common Shares, representing approximately 30.02% of the issued and outstanding common shares of the Company, plus 4,945,456 Warrants. Assuming the exercise of the Warrants, Cynosure would own 9,890,912 Common Shares, representing approximately 46.18% of the common shares of the Company that would be issued and outstanding. Further, prior to closing, Cynosure's beneficial owner, Sean Webster, held control or direction of 5,500 shares Common Shares.

Chen, JHC Holdings, and Cynosure acquired the securities described in this news release for investment purposes and in accordance with applicable securities laws. Chen, JHC Holdings, and Cynosure may, from time to time and at any time, acquire additional shares and/or other equity, debt or other securities or instruments of World Mahjong in the open market or otherwise, and each reserves the right to dispose of any or all of its security holdings in the open market or otherwise at any time and from time to time, and to engage in similar transactions with respect to its securities, the whole depending on market conditions, the business and prospects of each of Chen, JHC Holdings, and Cynosure and other relevant factors.

A copy of the early warning report to be filed by Chen and JHC Holdings and Cynosure in connection with the acquisition of securities described above will be available on SEDAR under World Mahjong's profile. This news release is issued pursuant to the early warning provisions of Canadian securities legislation.

For more information on Mahjong World Limited, please visit: <http://worldmahjong.com>.

Media Contact:

World Mahjong Limited

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