

## FORM 51-102F3

### MATERIAL CHANGE REPORT

#### 1. Name and Address of Company

Quadron Capital Corporation (“**Quadron**” or the “**Company**”)  
1600 – 609 Granville Street  
Vancouver, BC V7Y 1C3

#### 2. Date of Material Change

January 8, 2016.

#### 3. News Release

A news release in connection with the material change was disseminated on January 11, 2016 and filed under the Company’s profile on SEDAR.

#### 4. Summary of Material Change

1054608 B.C. Ltd., a wholly-owned subsidiary of Quadron (“**Subco**”), amalgamated (the “**Amalgamation**”) with Soma Labs Scientific Inc., a private company incorporated under the laws of British Columbia (“**Soma**”), to form the resulting entity, “Soma Labs Scientific Inc.” (“**Amalco**”), which will continue as a wholly-owned subsidiary of Quadron. The Amalgamation was effected pursuant to an amalgamation agreement dated November 6, 2015 among Quadron, Subco and Soma (the “**Amalgamation Agreement**”).

As a result of the Amalgamation, Quadron acquired all of the issued and outstanding common shares (“**Soma Shares**”) and preferred shares (“**Soma Preferred Shares**”) of Soma, and shareholders of Soma (the “**Soma Shareholders**”) received one common share (“**Quadron Share**”) and/or preferred share (“**Quadron Preferred Share**”) of Quadron in exchange for each Soma Share and/or Soma Preferred Share held, as applicable. In total, Soma Shareholders received 17,422,500 Quadron Shares and 2,000,000 Quadron Preferred Shares. Holders of convertible securities of Soma (the “**Soma Convertible Security Holders**”) also received convertible securities of Quadron on a one-for-one basis.

The Amalgamation follows the recent closing by Quadron of a non-brokered private placement financing (the “**Financing**”) of 4,637,500 units (the “**Units**”) at \$0.10 per Unit for gross proceeds of \$463,750.00. Each Unit comprises one Quadron Share and one half of one Quadron Share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one additional Quadron Share at a price of \$0.20 per Quadron Share for 24 months from the date of issuance (the “**Original Exercise Period**”). If, at any time during the Original Exercise Period, the Quadron Shares, or common shares of any successor entity, are listed for trading on the Canadian Securities Exchange, or such other recognized stock exchange as the Company’s shares may be listed on for trading (the “**Going Public Transaction**”), the expiry date of the Warrants will adjust such that each Warrant shall entitle the holder thereof to purchase one additional Quadron Share at a price of \$0.20 per Quadron Share for a period of 18 months following the Going Public Transaction (the “**Adjusted**”).

**Exercise Period**”). All of the securities issued in the Financing are subject to a statutory hold period that expires on May 1, 2016.

Following the closings of the Amalgamation and the Financing, Quadron has 36,500,000 Quadron Shares currently issued and outstanding and 48,500,000 on a fully diluted basis.

## **5. Full Description of Material Change**

### **5.1 Full Description of Material Change**

Subco completed the Amalgamation with Soma to form the resulting entity, Amalco, which will continue as a wholly-owned subsidiary of Quadron. The Amalgamation was effected pursuant to the Amalgamation Agreement among Quadron, Subco and Soma.

Pursuant to the Amalgamation, Quadron has acquired Soma’s laboratory and research business that provides services to the biotech and bioceutical industries, including the research and scientific development of new odour control processes and formulations. Quadron intends to leverage Soma’s operations and scientific personnel to expand further into the legal cannabis industry, and Amalco’s initial focus will be on deriving revenues from leasing equipment and the sale of ancillary products to third parties involved in the cannabis extraction process.

As a result of the Amalgamation, Quadron acquired all of the issued and outstanding Soma Shares and Soma Preferred Shares, and Soma Shareholders received one Quadron Share and/or Quadron Preferred Share in exchange for each Soma Share and/or Soma Preferred Share held, as applicable. In total, Soma Shareholders received 17,422,500 Quadron Shares and 2,000,000 Quadron Preferred Shares. Soma Convertible Security Holders also received convertible securities of Quadron on a one-for-one basis.

Pursuant to the special rights and restrictions attached to the Quadron Preferred Shares, if Quadron achieves \$1,000,000 in earnings before interest, taxes, depreciation and amortization for the fiscal year ending April 30, 2017, each Quadron Preferred Share will automatically convert into one Quadron Share.

Pursuant to the Amalgamation Agreement, the Board of Directors of Quadron has been reconstituted to comprise Doug McFaul, Rosy Mondin, Scott Ackerman and Jeff Durno, and management of the Company has been reconstituted to comprise Rosy Mondin as President and Chief Executive Officer and Robert Chisholm as Chief Financial Officer.

The Amalgamation follows the recent closing by Quadron of a Financing of 4,637,500 Units at \$0.10 per Unit for gross proceeds of \$463,750.00. Each Unit comprises one Quadron Share and one half of one Warrant. Each Warrant entitles the holder thereof to purchase one additional Quadron Share at a price of \$0.20 per Quadron Share for the Original Exercise Period. If, at any time during the Original Exercise Period, Quadron completes a Going Public Transaction, the expiry date of the Warrants will adjust to the end of the Adjusted Exercise Period. All of the securities issued in the Financing are subject to a statutory hold period that expires on May 1, 2016.

Following the closings of the Amalgamation and the Financing, Quadron has 36,500,000 shares currently issued and outstanding, and 48,500,000 on a fully diluted basis.

## **5.2 Disclosure for Restructuring Transactions**

Not applicable.

## **6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

## **7. Omitted Information**

There is no information of a material nature that has been omitted from this report.

## **8. Executive Officer**

The name and address of the executive officer of Quadron who is knowledgeable of the material change and this report is:

Rosy Mondin, President and Chief Executive Officer  
1600 – 609 Granville Street  
Vancouver, BC V7V 1C3

Tel: 1-866-824-8938

## **9. Date of Report**

Dated January 18, 2016 at Vancouver, British Columbia.

### ***Forward-Looking Statements***

*Statements included in this material change report, including, but not limited to, statements concerning the conversion of Quadron Preferred Shares to Quadron Shares upon Quadron achieving \$1,000,000 in earnings before interest, taxes, depreciation and amortization for the fiscal year ending April 30, 2017; our plans for leveraging Soma's operations and personnel and expanding further into the cannabis industry; our plans for leasing equipment and the sale of ancillary products to third parties involved in the cannabis extraction process; and the listing of the Quadron Shares on the Canadian Securities Exchange or other recognized exchange, which are not historical in nature are intended to be, and are hereby identified as "forward-looking statements". Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.*