51-102F3 Material Change Report

Item 1 Name and Address of Company

ATLAS BLOCKCHAIN GROUP INC. (the "Company")
308 E.5th Avenue
Vancouver, BC V5T 1H4
Canada

Item 2 Date of Material Change

January 14, 2019

Item 3 News Release

NR #19-01 dated January 14, 2019

Item 4 Summary of Material Change

The Company announces the close of $5.2M in its first tranche of financing.

Item 5 Full Description of Material Change

The Company announced that further to its news release on November 16, 2018, it has closed approximately CAD$5.2 million as the first tranche of its previously announced non-brokered offering of subscription receipts of the Company (the "Subscription Receipts") at $0.17 per Subscription Receipt (the "Offering"). Each Subscription Receipt entitles the holder to receive, upon satisfaction of certain escrow release conditions, and without payment of additional consideration, one unit in the capital of the Company (each, a "Unit"). Each Unit will be comprised of one common share of Atlas (each, a "Atlas Share") (pre-consolidation basis) and one Atlas Share purchase warrant (each, a "Warrant") (pre-consolidation basis). Each Warrant will entitle the holder thereof to acquire one Atlas Share at $0.34 per Atlas Share for two years following the date of issuance.

The financing efforts are concurrent to a non-binding letter of intent to acquire all the issued and outstanding common shares of Isracann Biosciences Inc. in exchange for common shares of the Company. The acquisition of Isracann Biosciences Inc. is an arm's length transaction and is expected to constitute a fundamental change under the policies of the Canadian Securities Exchange (the "CSE").

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities laws.

The Company has paid eligible finders a cash commission in the aggregate of approximately $221,394 on the Offering within the amount permitted by the policies of the Canadian Securities Exchange (the "CSE"). In addition, 1,302,321 non-transferable broker's warrants were issued to eligible finders to purchase an aggregate of 1,302,321 common shares of the Company. The aggregate net proceeds from the Offering will be used to complete the acquisition of Isracann Biosciences Inc. and to provide general working capital.

Certain insiders of the Company (within the meaning of the policies of the CSE have purchased Subscription Receipts under the Offering. The participation of the insiders in the Offering constitutes a "related party transaction" within the meaning

of Multilateral Instrument 61-101–*Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company is relying on exemptions from the formal valuation and minority securityholder approval requirements set out in sections 5.5(a) and 5.7(1)(a) of MI61-101 as the fair market value of the subject matter of the Offering does not exceed 25% of the market capitalization of the Company as calculated in accordance with MI 61-101.

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

This report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

The following officer of the Company is knowledgeable about the material change disclosed in this report: Fred Stearman, COO & Director, Tel: +1 (778) 871-0357

Item 9 Date of Report

January 14, 2019