FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Corporation:

Automotive Finco Corp. (the **Company**)
8 King Street East, Suite 1800
Toronto, Ontario
M5C 1B5

Item 2 Date of Material Change:

July 23, 2019

Item 3 News Release:

The news release attached as Schedule “A” to this report was disseminated by the Company through the facilities of GlobeNewswire on July 23, 2019 and was subsequently filed on SEDAR.

Item 4 Summary of Material Change:

On July 23, 2019, the Company announced that it received notice via Automotive Finance LP (“**AFLP**”) that AFLP has received notice from DH Finance LP, GTAN Finance LP, OH Finance LP and WH Finance LP that they intend to repay their existing loans to AFLP. This should ultimately result in a distribution to AFCC of $76,000,000 plus any accrued interest.

In light of the above, the Board of AFCC is considering various options to enhance shareholder value and, while no decisions have been made, one option the Board is exploring is the redemption of AFCC’s outstanding 6.75% convertible debentures (the “**Debentures**”) in accordance with the indenture governing the Debentures as soon as practicable.

Item 5 Full Description of Material Change:

The details of the material change are set forth in the press release attached hereto, which press release, including the forward-looking statement caution contained therein, is incorporated herein by reference.

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

Not applicable.

Item 7 Omitted Information:

Not applicable.

Item 8 Executive Officer:

Kuldeep Billan
Chief Executive Officer
Tel: (647) 351-2886
E-mail: kbillan@autofincocorp.com

Item 9 Date of Report:

July 29, 2019

SCHEDULE "A"

Not for distribution to United States newswire services or for dissemination in the United States. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States.

8 King Street East,
Suite 1800
Toronto, Ontario
M5C 1B5
Tel: (905) 619-4996

News Release
TSX-V: AFCC
July 23, 2019

Automotive Finco Corp. Announces Loan Refinancings

TORONTO, ONTARIO July 23, 2019 – Automotive Finco Corp. (TSX-V: AFCC) ("**AFCC**" or the "**Company**") is pleased to announce that it has received notice via Automotive Finance LP ("**AFLP**") that AFLP has received notice from DH Finance LP, GTAN Finance LP, OH Finance LP and WH Finance LP that they intend to repay their existing loans to AFLP. This should ultimately result in a distribution to AFCC of $76,000,000 plus any accrued interest.

In light of the above, the Board of AFCC is considering various options to enhance shareholder value and, while no decisions have been made, one option the Board is exploring is the redemption of AFCC's outstanding 6.75% convertible debentures (the "**Debentures**") in accordance with the indenture governing the Debentures as soon as practicable.

The Board is further carefully considering its options relating to net funds received after the payment of fees and expenses relating to the possible redemption of the Debentures and any related transactions (the Company expects net cash received to range from $40,000,000 - $45,000,000 in such circumstances). A portion of these funds may be reinvested, held for future acquisitions, deployed as part of a substantial issuer bid or any combination of the foregoing. The Company does not intend to set a definite schedule to complete its evaluation of the various options and cautions that there are no assurances or guarantees that the process will result in a particular action or, if an action is undertaken, the terms or timing of such an action or actions.

The Company does not intend to comment further until the Board has approved a specific transaction or action plan, or otherwise determines that disclosure is necessary or appropriate.

About Automotive Finco Corp.

Automotive Finco Corp is a high growth specialty finance company focused exclusively on the auto retail sector. Through its investment in Automotive Finance LP, AFCC has exposure to a business providing long term, debt based acquisition financing to auto dealerships across the globe, with an initial focus on Canada. In addition to its interest in Automotive Finance LP, AFCC may also pursue other direct investments and financing opportunities across the auto retail sector.

For further information, please refer to AFCC's website: www.autofincocorp.com.

For further information please contact:

Kuldeep Billan, Email: kbillan@autofincocorp.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains certain forward-looking statements within the meaning of applicable securities laws relating to the Company's plans, objectives, expectations and intentions. The use of any of the *words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "confident", "might" and similar expressions are intended to identify forward-looking information or statements. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated and described in the forward-looking statements. In particular, but without limiting the foregoing, this news release contains forward-looking information and statements pertaining to: statements regarding the Company's strategic plan; the likelihood that the Company will be able to identify and undertake alternatives which enhance shareholder value; the Company's potential redemption of the Debentures or implementation of a substantial issuer bid (including the amounts to be deployed, the timing, price and size of any offers to debenture holders or shareholders). There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in AFCC's disclosure documents on the SEDAR website at www.sedar.com. AFCC does not undertake to update any forward looking information except in accordance with applicable securities laws.*