

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Strategem Capital Corp. (the "Company")
102-325 Howe Street
Vancouver, BC Canada V6C 1Z7

Item 2. Date of Material Change

December 16, 2008

Item 3. News Release

The Company's news release dated December 16, 2008 was disseminated through the facilities of Marketwire on December 16, 2008.

Item 4. Summary of Material Change

The Company announced its intention to proceed with a reorganization of the Company's share capital and a corresponding distribution of paid-up capital of the Company's Common shares. The Company's shareholders approved the reorganization and PUC distribution at the annual general and special meeting of shareholders held on December 4, 2008.

The Company will amend its Articles to reorganize the share capital of the Company to: (a) create Class A Common Shares; and (b) redesignate the Company's Common Shares (currently trading on the TSXV) as Class B Common Shares. Once the amendment is effected, the Company will, at the election of a registered Shareholder and upon receipt of a duly completed letter of transmittal, share certificate and certain documents from such Shareholder (as discussed in more detail below), exchange each outstanding Class B Common Share held by the Shareholder for one Class A Common Share and a cash payment of \$1.75 per share. Each Class B Common Share so exchanged will then be cancelled by the Company.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that it intends to proceed with a reorganization of the Company's share capital and a corresponding distribution of the paid-up capital ("PUC") of the Company's common shares. The Company's shareholders approved the reorganization and PUC distribution at the annual general and special meeting of shareholders held on December 4, 2008.

Persons who are registered shareholders of the Company's common shares on January 16, 2009 may submit share certificates representing their Common shares in exchange for a cash payment of \$1.75 per share (representing the PUC of the common shares) and the same number of Class A Common shares.

Shareholders wishing to participate in these transactions must submit a duly completed letter of transmittal and certain other documents to the Company's transfer agent by January 16, 2009. The Company's current common shares will cease trading prior to the exchange date.

The Company will amend its Articles to reorganize the share capital of the Company to: (a) create Class A Common Shares; and (b) redesignate the Company's Common Shares (currently trading on the TSXV) as Class B Common Shares. Once the amendment is effected, the Company will, at the election of a registered Shareholder and upon receipt of a duly completed letter of transmittal, share certificate and certain documents from such Shareholder (as discussed in more detail below), exchange each outstanding Class B Common Share held by the Shareholder for one Class A Common Share and a cash payment of \$1.75 per share. Each Class B Common Share so exchanged will then be cancelled by the Company.

The Company will mail to its registered shareholders a certain documents required to effect the reorganization and exchange, including a letter of transmittal. Registered shareholders wishing to participate in the share exchange and PUC distribution should complete and return the Letter of Transmittal along with the certificate(s) representing all of the Common Shares held by such shareholder to the Company's transfer agent on or before January 16, 2009. The Company's transfer agent will then issue and deliver to them certificates representing Class A Common Shares and the cash payment. The specific procedures for the deposit of certificates representing Common Shares and the delivery of Class A Common Share certificates will be set out in the Letter of Transmittal.

Registered shareholders wishing to participate in the share exchange and cash distribution have until January 16, 2009 to submit the required documents to the Company's transfer agent. Shareholders wishing to exchange their certificates representing their Common shares and to receive the cash payment must exchange all, but not less than all, of the Common shares they hold.

In the event that such documentation is not returned by January 16, 2009, Shareholders who fail to return same will no longer be entitled to return of the PUC and will remain as Class B Common Shareholders. As such, it is recommended that Shareholders complete and return their Letters of Transmittal and other required documents to the transfer agent at the specified address, as soon as possible following receipt of same.

The Company will remain a public company traded on the Exchange, subject to the Company's ability to continue to meet the Exchange's minimum listing requirements. The Company intends to seek such regulatory and Exchange approvals as may be required, including Exchange approval of a substitutional listing (the "Substitutional Listing") and a supplemental listing (the "Supplemental Listing"). Assuming all registered shareholders elect to tender their Common Shares for cancellation in exchange for Class A Common shares and the cash payment, the Company will seek a Substitutional Listing from the Exchange. Pursuant to the Substitutional Listing, the Class A Common Shares will be substituted for the Company's Common Shares currently trading on the Exchange, subject to the Company continuing to meet the Exchange's minimum listing requirements, with the effect that the Common Shares will no longer be trading on the Exchange. In this situation, as all registered shareholders will have elected to accept the Class A Common shares and cash payment, and the Common shares so tendered for exchange will have been cancelled upon the implementation of the share exchange, there will be no outstanding redesignated Class B Common Shares upon implementation of the reorganization.

If some, but not all, registered shareholders elect to tender their Common shares in exchange for Class A Common shares and the cash payment, the Company will apply to the Exchange for a Substitutional Listing as described above, and in addition will apply for a Supplemental Listing. The Class A Common shares will be the Company's primary listing, and will be substituted for the currently trading Common shares. The redesignated Class B Common shares will be a supplemental or secondary listing and will continue to trade on the Exchange subject to the Company meeting the Exchange's minimum listing requirements for this class of shares. In this situation, the Company will temporarily have two issued and outstanding classes of shares, both listed and trading on the Exchange under different CUSIP numbers. As the Company anticipates that the Class B Common shares are unlikely to meet the Exchange's minimum public distribution requirements, the Supplemental Listing of such shares will be temporary only, and the Class B Common shares will cease trading and be delisted at a future date to be determined by the Company in consultation with the Exchange.

5.1 *Disclosure for Restructuring Transactions*

Not Applicable.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

Please contact Ken Morgan, President and Chief Executive Officer of the Company, at (604) 692-0073.

Item 9. Date of Report

Dated December 17, 2008.