

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 – Name and Address of Company

Clarke Inc. ("Clarke")
145 Hobsons Lake Drive, Suite 106
Halifax, Nova Scotia, B3S 0H9

Item 2 – Date of Material Change

March 25, 2020

Item 3 – Press Release

A press release disclosing the material change described herein was disseminated through Canada NewsWire on March 26, 2020 and a copy was subsequently filed under Clarke's profile on SEDAR at www.sedar.com. See Appendix "A" attached hereto for a copy of the press release.

Item 4 – Summary of Material Change

On March 25, 2020, Clarke completed the distribution to its shareholders of its previously announced dividend-in-kind (the "**Dividend**") of the 5,386,440 shares of TerraVest Industries Inc. (the "**Terravest Shares**") previously held by Clarke. Under the Dividend, Clarke shareholders of record on March 18, 2020 received approximately 0.33 Terravest Shares for every one common share of Clarke held (each, a "**Clarke Share**"); provided that no fractional shares (or cash in lieu thereof) were paid under the Dividend and all fractional interests were rounded down to the nearest whole number of Terravest Shares.

Pursuant to the due bill trading requirements of the Toronto Stock Exchange, the Clarke Shares traded on a due bill basis from the opening of trading on March 17, 2020 until the close of trading on March 25, 2020. The Clarke Shares commenced trading on an ex-distribution basis (without an attached due bill entitlement to the Dividend) from the opening of trading on March 26, 2020. The due bills were redeemed on March 27, 2020.

Item 5 – Full Description of Material Change

5.1 – Full Description of Material Change

Please see the press release attached hereto as Appendix "A".

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

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

Item 8 – Executive Officer

For further information, please contact:

Michael Rapps, President and Chief Executive Officer
Clarke Inc.
Telephone: (416) 855-1925

Item 9 – Date of Report

March 31, 2020

APPENDIX "A"

Clarke Inc. Completes Dividend of its Shares of TerraVest Industries Inc. to Shareholders

HALIFAX, March 26, 2020 /CNW/ - Clarke Inc. ("Clarke") announces that it has completed the distribution to its shareholders of its previously announced dividend-in-kind (the "Dividend") of the 5,386,440 shares of TerraVest Industries Inc. (the "Terravest Shares") previously held by Clarke.

Under the Dividend, Clarke shareholders of record on March 18, 2020 received approximately 0.33 Terravest Shares for every one common share of Clarke (each, a "Clarke Share") held; provided that no fractional shares (or cash in lieu thereof) were paid under the Dividend and all fractional interests were rounded down to the nearest whole number of Terravest Shares.

Pursuant to the due bill trading requirements of the Toronto Stock Exchange, the Clarke Shares have been trading on a due bill basis since the opening of trading on March 17, 2020 until the close of trading on March 25, 2020. The Clarke Shares will commence trading on an ex-distribution basis (without an attached due bill entitlement to the Dividend) from the opening of trading on March 26, 2020. The due bills will be redeemed on March 27, 2020, once all trades with attached due bills entered during the due bill period have settled.

Certificates evidencing the Terravest Shares paid under the Dividend are expected to be mailed to registered shareholders of Clarke on March 26, 2020.

The Dividend is considered an "eligible dividend" for Canadian income tax purposes. Clarke shareholders that receive the Dividend may be subject to tax consequences in Canada and/or their jurisdiction of residence. Clarke shareholders are urged to consult their tax advisors or contact their local office of the Canada Revenue Agency and, where applicable, the provincial taxation authorities regarding the tax treatment of the Dividend.

Prior to the Dividend, Clarke beneficially owned 5,386,440 Terravest Shares, representing 28.5% of the issued and outstanding Terravest Shares. As a result of the Dividend, Clarke no longer owns any Terravest Shares. Clarke Inc. Master Trust, which is presumed under applicable securities laws to be a joint actor of Clarke, owns approximately 494,302 Terravest Shares.

Clarke disposed of the Terravest Shares to fund the Dividend. Clarke may, depending on market and other conditions, increase or decrease its beneficial ownership, control or direction over Terravest Shares or other securities of TerraVest Industries Inc. from time to time.

About Clarke Inc.

Clarke invests in public businesses, private businesses and real estate and participates actively in such investments to enhance their performance and maximize its return. Clarke's shares and debentures trade on the Toronto Stock Exchange under the symbols "CKI" and "CKI.DB". For more information about Clarke Inc., please visit our website at www.clarkeinc.com.

Forward-Looking Statements

This press release may contain or refer to certain forward-looking statements relating, but not limited, to Clarke's expectations, intentions, plans and beliefs with respect to Clarke. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "does not expect", "is expected", "budgets", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes",

or equivalents or variations of such words and phrases, or state that certain actions, events or results, "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements include, without limitation, Clarke's intentions regarding future investments in TerraVest Industries Inc.

Forward-looking statements rely on certain underlying assumptions that, if not realized, can result in such forward-looking statements not being achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of Clarke to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, Clarke's investment strategy, legal and regulatory risks, general market risk, potential lack of diversification in Clarke's investments, interest rates, foreign currency fluctuations, the sale of Clarke investments, the fact that dividends from investee companies are not guaranteed, reliance on key executives, commodity market risk, risks associated with investment in derivative instruments and other factors.

Although Clarke has attempted to identify important factors that could cause actions, events or results not to be as estimated or intended, there can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Other than as required by applicable Canadian securities laws, Clarke does not update or revise any such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events. Accordingly, readers should not place undue reliance on forward-looking statements.

For further information: Michael Rapps, President and CEO of Clarke, at (416) 855-1925; Steve Cyr, Chief Financial Officer of Clarke, at (902) 442-3415

CO: Clarke Inc.

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