LGC CAPITAL LTD.

Notice of Change in Corporate Structure

National Instrument 51-102 – Section 4.9

Knowlton Capital Inc. (now LGC Capital Ltd.) (the "**Corporation**") and Leni Gas Cuba Ltd. ("**Leni Gas Cuba**") entered into an Arrangement Agreement dated May 27, 2016 as amended June 2, 2016 pursuant to which they effected a reverse take-over of the Corporation by Leni Gas Cuba (the "**Transaction**").

1. Names of the Parties to the Transaction

The parties to the Transaction are the Corporation, Leni Gas Cuba and the securityholders of Leni Gas Cuba.

2. Description of the Transaction

In connection with the Transaction, the Corporation's corporate name was changed to "LGC Capital Ltd. / Capital LGC Ltée", and the Corporation consolidated its 46,575,500 issued and outstanding common shares on the basis of one common share for every 1.27795529 shares issued and outstanding. At the closing of the Transaction, the Corporation issued an aggregate of 197,599,996 common shares at a deemed price of $0.1277 per share to the shareholders of Leni Gas Cuba in exchange for their shares, on the basis of one share of the Corporation for every 2.5 shares of Leni Gas Cuba. As a result, the Corporation now owns 100% of the shares of Leni Gas Cuba and there are 234,045,310 common shares of the Corporation issued and outstanding, of which 84.43% are held by the former shareholders of Leni Gas Cuba.

The Corporation also issued stock options in respect of an aggregate of 38 million common shares and common share purchase warrants in respect of 1,976,000 common shares to the holders, respectively, of Leni Gas Cuba stock options and common share purchase warrants, which were cancelled, on the same basis as set out above (one for every 2.5), with appropriate adjustments in their respective exercise prices.

The Transaction was approved at an annual and special meeting of shareholders of the Corporation held in Montreal, Québec on July 6, 2016.

3. Effective Date of the Transaction

The Transaction became effective on July 12, 2016.

4. Names of Each Party That Ceased to be a Reporting Issuer After the Transaction and of Each Continuing Entity

The Corporation changed its name to "LGC Capital Ltd. / Capital LGC Ltée" on July 12, 2016 and will continue to be a reporting issuer in the same jurisdictions as prior to the Transaction.

5. Date of the Reporting Issuer's First Financial Year-End After the Transaction

The first financial year end of the Corporation following the closing of the Transaction (on July 12, 2016) is June 30, 2017.

6. Periods, Including the Comparative Periods, if any, of the Interim and Annual Financial Statements Required to be Filed for the Reporting Issuer's First Financial Year After the Transaction

The Corporation will file interim financial statements for the interim periods ending September 30, 2016, December 31, 2016 and March 31, 2017 together with the comparative periods.

7. Documents Filed under National Instrument 51-102 that Described the Transaction and Where those Documents can be Found in Electronic Format.

The Transaction is described in a management information circular of the Corporation dated June 9, 2016, a copy of which is available under the Corporation's profile on SEDAR at www.sedar.com.