FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Sun Red Capital Corporation
Suite 210 - 815 10th Avenue SW
Calgary, Alberta T2R 0B4

Item 2. Date of Material Change

August 27, 2009.

Item 3. News Release

A news release was issued on August 27, 2009, via Market News, Stock Watch and SEDAR.

Item 4. Summary of Material Change

Sun Red Capital Corporation announced that the proposed transaction with Global Art & Creative International Investment Co. Ltd., Global Art Creative China Co. Ltd. and Ronald W.S. Szeto for its qualifying transaction pursuant to Exchange Policy 2.4 *Capital Pool Companies* has been terminated.

Item 5. Full Description of Material Change

5.1. Full Description of Material Change

Sun Red Capital Corporation (the "**Company**"), a capital pool company listed on the TSX Venture Exchange Inc. (the "**Exchange**") (TSX Venture: SSQ.P), announced that the proposed transaction with Global Art & Creative International Investment Co. Ltd. ("**Global Arts**"), Global Art Creative China Co. Ltd. ("**Global China**") and Ronald W.S. Szeto for its qualifying transaction pursuant to Exchange Policy 2.4 *Capital Pool Companies* (the "**Qualifying Transaction**") has been terminated. The parties entered into a letter agreement dated May 31, 2009 (the "**LOI**").

Following discussion, the parties have agreed that proceeding with the proposed Qualifying Transaction at this time is not in the best interests of the companies. The Company terminated the LOI in accordance with its terms, and as a result of such termination Global Arts is obligated to repay the Company the $25,000 refundable deposit, which was advanced in June of 2009.

The Company intends to immediately resume its search for a target business for its Qualifying Transaction.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

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

This report is not being filed on a confidential basis.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

Greg Hansen, Chief Financial Officer
Telephone: (403) 397-0186

Item 9. Date of Report

August 27, 2009