AMENDED

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Element Lifestyle Retirement Inc. (the "Company")
1147 Homer Street
Vancouver, British Columbia
V6B 2Y1

Item 2: Date of Material Change

August 29, 2017

Item 3: News Release

The news release was disseminated on August 30, 2017 through Nasdaq Globe Newswire and filed on SEDAR.

Item 4: Summary of Material Change

The Company announced it completed the purchase of a 1.96 acres property along the harbourside of Victoria at Bayview Place, British Columbia (the "Lands") pursuant to the terms of an amended offer to purchase agreement (the "Agreement") with Focus Equities Inc. ("Focus Equities").

Item 5: Full Description of Material Change

The Company announced it completed the purchase of the Lands pursuant to the terms of the Agreement with Focus Equities.

Under the terms of the Agreement, the Company agreed to pay to Focus Equities $6.7 million for the Lands. An aggregate of $300,000 had been paid to Focus Equities in deposits against the purchase price, $4.7 million was paid to Focus Equities on closing and the balance of $1.7 million is held in trust by the Company's counsel, which will be released and paid to Focus Equities when Focus Equities has completed certain excavation work on the Lands, including site levelling work and certain underground excavation work, pursuant to the terms of an excavation agreement entered into between the Company and Focus Equities, as previously announced on August 17, 2017. Furthermore, upon commencement of the excavation work on the Lands by Focus Equities, the Company will deposit $1.8 million plus GST in trust with the Company's counsel, to be drawn and paid to Focus Equities on a monthly basis as work progresses.

The Company also announced the closing of its non-brokered private placement financing raising aggregate gross proceeds of $2,510,000 (the "Private Placement") through the issuance of unsecured convertible debentures (the "Debentures"). The proceeds from the Private Placement have been used as partial consideration for the acquisition of the Lands.

The terms of the Debentures remain substantially as announced on June 19, 2017. Each Debenture has an issue price of Cdn$100; matures five years after the date of issuance on August 29, 2022 (the "Maturity Date"); bears interest at 7% per annum, payable on January 1 and July 1 of each year while outstanding, which interest, subject to regulatory approval, may at the option of the Company be settled in common shares. The Debentures, and any common shares issued upon conversion of the Debentures prior to December 30, 2017, will be subject to a four-month hold period expiring on December 30, 2017, in accordance with applicable Canadian securities laws. A finders' fee of $60,000 is payable in cash to Royal Westwood Holdings Ltd., a finder at arm's length to the Company in connection with the Private Placement.

Each Debenture is convertible into common shares in the capital of the Company at the option of the holder at a price of Cdn$0.30 per common share (the "Conversion Price"), which is equivalent to 3,333 common shares for each Cdn$1,000 principal amount of Debentures, subject to adjustment in certain circumstances. Debentures must be converted in minimum amounts of Cdn$1,000 and are convertible at any time before the close of business on the earlier of the last business day prior to (as applicable): (i) the business day immediately before the Maturity Date; and (ii) the fifth business day immediately preceding the redemption date if the Debentures are called for redemption.

The Company may redeem the Debentures in cash on or after July 1, 2019, in whole or in part from time to time, upon required prior notice at a redemption price equal to their principal amount plus accrued and unpaid interest, if any, provided that the weighted average trading price of the Company's common shares for the 20 consecutive trading days ending five trading days prior to the date of the redemption notice must be at least 125% of the Conversion Price.

A controlling shareholder of the Company participated in the Private Placement and subscribed for $300,000 of Debentures. The controlling shareholder's participation in the Private Placement constitutes a related party transaction pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval in connection with the participation of the aforementioned controlling shareholder in the Private Placement under sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101. The Private Placement was unanimously approved by the board of directors of the Company.

Additionally, after July 1, 2019, the Company has the option, to repay the principal amount of the Debentures in common shares, provided certain circumstances are met, including, but not limited to, no event of default has occurred and is continuing at such time and the weighted average trading price of the Company's common shares for the 20 consecutive trading days ending five trading days prior to the date of the redemption notice or maturity date (as the case may be) is at least 150% of the Conversion Price.

Forward Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to development of Element's business, including statements regarding the proposed development of a project on the Lands, financing of the project proposed for the Lands, the costs for the development of the project on the Lands, including excavation works; future revenues, assessing opportunities and advancing the Company's plans. In this news release, words such as "may", "would", "could", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "estimate" and similar words and the negative form thereof are used to identify forward looking information. Forward looking information should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. Forward-looking information is based on information available at the time and/or the Company management's good faith belief with respect to future events and is subject to known or unknown risks, uncertainties, assumptions and other unpredictable factors, many of which are beyond the Company's control. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks associated with Element's business as disclosed in the Company's most recently filed MD&A. The statements in this news release are made as of the date of this release. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

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

N/A.

Item 7: Omitted Information

N/A.

Item 8: Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Ed Duda, Chief Financial Officer
Telephone: 604.676.1418
Email: edduda@elementliving.com

Item 9: Date of Report

September 1, 2017