

Form 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 **NAME AND ADDRESS OF COMPANY**

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

ITEM 2 **DATE OF MATERIAL CHANGE**

September 27, 2017

ITEM 3 **NEWS RELEASE**

Disseminated on September 27, 2017 through Nasdaq Globe Newswire and filed on SEDAR.

ITEM 4 **SUMMARY OF MATERIAL CHANGE**

Element's consulting agreements dated January 27, 2014 (the "Opal Consulting Agreement") and August 1, 2014 (the "Oasis Consulting Agreement"), each as amended, pursuant to which Element was engaged as consultant to supervise the planning, design and construction of the Opal and Oasis Projects, respectively, have been amended to provide for compensation terms more favourable to Element and better reflective of industry standards.

According to the agreement amending the Opal Consulting Agreement (the "Opal Amending Agreement"), Element will earn and be paid a consulting fee equal to \$3,495,000 instead of the lessor of \$1,920,000 or 4% of the costs of the Opal Project as set out in the original Opal Consulting Agreement.

As per the agreement amending the Oasis Consulting Agreement (the "Oasis Amending Agreement"), Element will earn and be paid a consulting fee equal to \$6,250,000 for the initial phase and 5% of total project costs for the remaining phases instead of 4% of the costs of the Oasis Project as set out in the original Oasis Consulting Agreement.

ITEM 5 **FULL DESCRIPTION OF MATERIAL CHANGE**

ITEM 5.1 **Full Description of Material Change**

The material change described in Item 4 is fully described in the Company's News Release of September 27, 2017 attached hereto and as filed on SEDAR.

ITEM 5.2 **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

There are no significant facts required to be disclosed herein which has been omitted.

ITEM 8 EXECUTIVE OFFICER

Contact: *Michael Diao*, Chief Executive Officer at (604) 676-1418

ITEM 9 DATE OF REPORT

September 27, 2017

FOR IMMEDIATE RELEASE

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Element Lifestyle Retirement Amends Consulting Agreements

September 27, 2017, Vancouver, BC - Element Lifestyle Retirement Inc. (the “Company” or “Element”) (TSX.V: ELM) is pleased to announce that the consulting agreements dated January 27, 2014 (the “Opal Consulting Agreement”) and August 1, 2014 (the “Oasis Consulting Agreement”), each as amended, pursuant to which Element was engaged as consultant to supervise the planning, design and construction of the Opal and Oasis Projects, respectively, have been amended to provide for compensation terms more favourable to Element and better reflective of industry standards.

According to the agreement amending the Opal Consulting Agreement (the “Opal Amending Agreement”), Element will earn and be paid a consulting fee equal to \$3,495,000 instead of the lessor of \$1,920,000 or 4% of the costs of the Opal Project as set out in the original Opal Consulting Agreement. Fees will be paid in monthly installments until February 2019, as set out in the Opal Amending Agreement.

As per the agreement amending the Oasis Consulting Agreement (the “Oasis Amending Agreement”), Element will earn and be paid a consulting fee equal to \$6,250,000 for the initial phase and 5% of total project costs for the remaining phases instead of 4% of the costs of the Oasis Project as set out in the original Oasis Consulting Agreement. Fees in respect of the initial phase will be paid in monthly installments until November 2021 and in respect of the remaining phases in monthly installments commencing on the date such work commences on a schedule to be determined by the parties.

Don Ho, President, commented, “The terms of the amended agreements provide attractive win-win opportunities for both organizations and provides the opportunity for the Company to strengthen its treasury. Care Pacific Holdings Ltd. is the ideal partner for us and we are encouraged by their ongoing commitment to our operations and employees. The flexibility and rapid response time in working to amend the agreements has been a true testament to our partnership.”

The amended agreements are expected to generate incremental revenues to Element of \$2,825,000 for the Opal project and the initial phase of the Oasis project. The Opal and Oasis Amending Agreements have been approved by the TSX Venture Exchange and a copy of each will be filed on SEDAR and available for viewing under Element’s profile at www.sedar.com.

About Element Lifestyle Retirement Inc.

Element was established in June 2013 in Vancouver, British Columbia and is in the business of providing comprehensive development consulting and operations management services. Collectively, the leadership team of Element has well over 100 years' experience in real estate and master planned community development, with specialization in hospitality management, and retirement community development and operations. Our development consulting services include property selection, assembly and acquisition; building and community design; municipal approval and land entitlement processes, and construction project management. Additionally, Element is vertically integrated and provides innovative operational management services for existing or new retirement communities. The core business of Element has been the development and management of third party assets in the “retirement community” space, but has now moved into the ownership arena through the acquisition of a combination of existing operating assets and property for new development. The organization has positioned itself to be a leading development and retirement management services organization that is changing the perception and experience of aging with its innovative intergenerational aging-in-place model. The long-term mission is to remove the stigma and burden that come with aging and evolving health. New property developments will be under Element's branded model. It encompasses a seamless

transition for older adults from independence to assisted living to complex care, while integrating accommodation and activities for all ages to create a vibrant environment. This enables older adults and their families to have complete peace of mind with the availability of adaptive services and care in a purpose-built customized community that will accommodate residents' changing needs.

ON BEHALF OF THE BOARD OF DIRECTORS

ELEMENT LIFESTYLE RETIREMENT INC.

"Michael Diao"

Chief Executive Officer and Director

For further information, please visit www.elementliving.com or contact Element at (604) 676-1418.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Statement Caution

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 fees to be earned and received pursuant to the Opal Consulting Agreement and Oasis Consulting Agreement, each as amended. 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.

2017 number 14