MATERIAL CHANGE REPORT
PURSUANT TO SECTION 7.1 OF NATIONAL INSTRUMENT 51-102

1. **Name and Address of Company:**

   Temple Hotels Inc. (the “Corporation”)
   1000 - 55 City Centre Drive
   Mississauga, Ontario
   L5B 1M3

2. **Date of Material Change:**

   April 29, 2019

3. **News Release:**

   The Corporation issued a press release regarding the material change on April 29, 2019.

4. **Summary of Material Change:**

   On April 29, 2019, the Corporation announced an offering of rights (“Rights”) to holders of its common shares (“Common Shares”) of record as at 5:00 p.m. (Toronto time) on May 8, 2019, on the basis of one Right for each Common Share held (the “Rights Offering”). Every one Right will entitle the holder thereof to subscribe for 0.5 Common Shares upon payment of the subscription price of $1.50 per Common Share. The Rights Offering will be conducted only in the provinces and territories of Canada.

5. **Full Description Of Material Change:**

   See the press release attached as Schedule “A” hereto.

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

   Not Applicable

7. **Omitted Information:**

   Not Applicable

8. **Executive Officer:**

   Beverley G. Flynn, Senior Vice President
   Telephone: (905) 281-3800

DATED at Mississauga, Ontario this 30th day of April, 2019.

Temple Hotels Inc.

Per: *“Beverley G. Flynn”*
Beverley G. Flynn
Senior Vice President

SCHEDULE "A"

FOR IMMEDIATE RELEASE

TEMPLE HOTELS INC. ANNOUNCES $37.5 MILLION RIGHTS OFFERING

MISSISSAUGA, ONTARIO (April 29, 2019) – Temple Hotels Inc. ("Temple") (TSX: TPH) is pleased to announce that it will file a rights offering notice (the "Notice") and rights offering circular (the "Circular") today in respect of a rights offering (the "Rights Offering") in order to raise up to $37,533,494. The rights ("Rights") will be offered to holders ("Shareholders") of Temple's common shares ("Common Shares") of record as at 5:00 p.m. (Toronto time) on May 8, 2019 (the "Record Date"). Temple intends to use the net proceeds of the Rights Offering to repay outstanding indebtedness to Morguard Corporation and other lenders.

Every one Right will entitle the holder thereof to subscribe for 0.5 Common Shares upon payment of the subscription price of $1.50 per Common Share, which represents an approximate 20% discount to the five-day volume-weighted average price of the Common Shares on the Toronto Stock Exchange (the "TSX") prior to the date hereof. The Rights Offering will be conducted only in the provinces and territories of Canada (the "Eligible Jurisdictions"). Accordingly, and subject to the detailed provisions of the Circular, Rights will not be delivered to, nor will they be exercisable by, persons resident outside the Eligible Jurisdictions. Rather, such Rights may be sold on their behalf.

The Rights will trade on the TSX under the symbol "TPH.RT.A" commencing on May 7, 2019 and until 12:00 noon (Toronto time) on June 4, 2019 at which time they will be halted from trading. The Rights will expire at 5:00 p.m. (Toronto time) on June 4, 2019 (the "Expiry Time"). Rights not exercised prior to the Expiry Time will be void and of no value.

Holders of Rights that exercise in full their basic subscription privilege will also be entitled to subscribe for additional Common Shares that are not otherwise purchased by other holders of the Rights. The maximum number of additional Common Shares for which an eligible holder will be able to subscribe will be limited to such holder's *pro rata* share (based on the basic subscription privilege exercised by that holder relative to other holders) of the total amount of additional Common Shares available.

Morguard Corporation has informed management of Temple of its intention to subscribe for its full basic subscription privilege under the Rights Offering, as detailed in the Circular. The full basic subscription privilege of Morguard Corporation represents 17,865,804 Common Shares or approximately 71.40% of the Common Shares offered under the Rights Offering.

Complete details of the Rights Offering will be set out in the Circular and the Notice, which will be available under Temple's profile at www.sedar.com. The Notice and accompanying rights certificate ("Rights Certificate") will be mailed to each eligible registered Shareholder ("Registered Shareholder") as at the Record Date. Registered Shareholders who wish to exercise their Rights must complete and forward the Rights Certificate, together with applicable funds to AST Trust Company (Canada), the rights agent of Temple, on or before the Expiry Time. Shareholders who own their Common Shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

While Temple intends to spend the net proceeds of the Rights Offering as described, there may be circumstances where, for sound business reasons, a reallocation of the net proceeds of the Rights Offering may be necessary.

The Rights Offering is subject to regulatory approval, including the approval of the TSX.

About Temple Hotels Inc.

Temple is a hotel investment company with properties located across Canada. Temple is listed on the Toronto Stock Exchange under the symbol TPH (common shares). The primary long-term investment objectives of Temple are to yield stable and growing cash flows and to maximize the long-term share value of Temple through the active management of its assets, accretive acquisitions, and the performance of value added capital improvement programs on selected properties, as deemed appropriate. For further information on Temple, please visit our website at www.templehotels.ca.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements included herein constitute “forward-looking statements”. All statements included in this press release that address future events, conditions or results of operations, including in respect of the Rights Offering, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative forms thereof or similar variations. Forward looking statements in this press release include, but are not limited to, the completion of the Rights Offering, the use of proceeds from the Rights Offering and the intention of Morguard Corporation to participate in the Rights Offering. These forward-looking statements are based on certain assumptions and analyses made by management in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Shareholders are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of risks and uncertainties, including, but not limited to that the Rights Offering may not be successfully completed for any reason. Many of such risks and uncertainties are outside the control of Temple and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. In making such forward-looking statements, management has relied upon a number of material factors and assumptions, including with respect to general economic and financial conditions, interest rates, exchange rates, equity and debt markets, business competition, changes in government regulations or in tax laws and acts and omissions of third parties. Such forward-looking statements should, therefore, be construed in light of such factors and assumptions. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. Temple is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

For further information, please contact:

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