

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

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

Captiva Verde Industries Ltd. (the “**Company**”)  
Suite 201 78080 Calle Amigo  
La Quinta, California  
92253

**Item 2. Date of Material Change**

June 30, 2016

**Item 3. News Release**

News Release dated June 30, 2016 was disseminated via Stockwatch and Market News and filed on Sedar on June 30, 2016.

**Item 4. Summary of Material Change**

The Company has closed the first tranche of a non-brokered private placement of units and has raised gross proceeds of CDN\$710,000.

**Item 5. Full Description of Material Change**

**5.1 Full Description of Material Change**

The Company announced, further to its news release of June 13, 2016, that the Company has closed the first tranche of the non-brokered private placement of units of the Company (the “**Units**”) at \$0.25 per Unit (the “**Offering**”).

The first tranche closing consisted of 2,840,000 Units for aggregate gross proceeds of \$710,000. Each Unit consisted of one common share in the capital of the Company (the “**Shares**”) plus one-half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional Share at a price of \$0.30 on or before June 30, 2017.

The Company has paid cash commission in the amount of \$44,450, being 7% of the aggregate proceeds from the sale of Units to purchasers introduced by the finders. The Company has also issued non-transferable warrants (the “**Finder’s Warrants**”) to acquire a total of 107,100 Shares, being 7% of the number of Units sold under the Offering to purchasers introduced by the finders. Each Finder’s Warrant entitles the holder to purchase one Share at a price of \$0.30 per Share on or before June 30, 2021.

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day in accordance with applicable securities legislation ending on October 31, 2016. The net proceeds received from the Offering will be used by the Company to expand the Company's Farming Plan and for general and administrative purposes.

The Company will be proceeding with the second tranche of the Offering.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officers**

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Jeffrey Ciachurski, Chief Executive Officer and director  
Telephone: (949) 903-5906.

**Item 9. Date of Report**

July 5, 2016.