

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

COBALT 27 CAPITAL CORP. (formerly Arak Resources Ltd.) (the “Company”)
8681 Clay Street.
Mission, BC V4S 1E7
Telephone: 604.410.2277

Item 2: Date of Material Change

The material change described in this report was released by way of news release on April 07, 2017

Item 3: News Release

The Company issued a press release relating to the material change on April 07, 2017, which was disseminated to the TSX Venture Exchange and through various other approved public media and filed on SEDAR with the securities commissions of British Columbia, Alberta and Saskatchewan.

Item 4: Summary of Material Change(s)

The Company announced that it’s previously announced name change to Cobalt 27 Capital Corp., and its forward split of the Company’s shares on a 3 new for 1 old basis would take effect Monday, April 10th, 2017. The Company’s shares would trade on the TSX Venture Exchange under the new symbol KBLT.

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

Vancouver, British Columbia, April 7, 2017 – Arak Resources Ltd. (TSX.V – AAC) (the “Company”) is pleased to announce, having received regulatory acceptance, the following corporate changes that will take effect at the open on Monday, April 10, 2017:

Change of Name and New Trading Symbol - The Company will change its name to Cobalt 27 Capital Corp. (“Cobalt 27”) and commence trading under its new name under new stock trading symbol: TSX.V – KBLT;

Forward Split - Concurrently, the Company’s shares will commence trading on a post-split basis - three new shares for every one old share held. The Company will be mailing to its shareholders, Letters of Transmittal with instructions on how their old Company shares may be exchanged for new Cobalt 27 shares. Following implementation of the forward-split, the Company will have 33,183,381 common shares outstanding.

Cobalt 27 plans to continue to refocus its efforts and aggressively pursue projects and opportunities in the battery metals sector.

5.2 Disclosure for Restructuring Transaction

Not applicable.

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

Not applicable.

Item 7: Omitted Information

No significant information has been omitted from this form on the basis that it is confidential information.

Item 8: Senior Officers

The following executive officer of the Company is knowledgeable about the material change and this Report:

Kathryn Witter, Chief Financial Officer – Telephone: 604.410.2277.

Item 9: Date of Report

April 10, 2017