

51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

PUDO Inc. (the “**Company**”)
6600 Goreway Dr. Unit D,
Mississauga, Ontario L4V 1S6

2. Date of Material Change:

March 7, 2025

3. News Release:

The news release with respect to the material change was disseminated through CISION PR Newswire on March 10, 2025 and filed on the SEDAR+ website at www.sedarplus.ca.

4. Summary of Material Change:

The Company announced the closing of its previously announced non-brokered private placement (the “**Private Placement**”). The Company issued 2,913,147 Common shares (each, a “**Private Placement Share**”) at a price of \$0.135 per Private Placement Share for aggregate gross proceeds of \$393,274.85.

The Company also announced that further to its previously announced debt settlement (the “**Debt Settlement**”) it has settled debt in the aggregate amount of \$416,898.00 owed by the Company to certain creditors of the Company in exchange for an aggregate of 3,088,132 Common shares (each, a “**Settlement Share**”) at a price of \$0.135 per Settlement Share.

5. Full Description of Material Change:

5.1 Full Description of Material Change

The Company announced the closing of its previously announced Private Placement. The Company issued 2,913,147 Private Placement Shares at a price of \$0.135 per Private Placement Share for aggregate gross proceeds of \$393,274.85.

The Company intends to use the proceeds raised from the Private Placement for general working capital.

The Company also announced that further to its previously announced Debt Settlement it has settled debt in the aggregate amount of \$416,898.00 owed by the Company to certain creditors of the Company in exchange for an aggregate of 3,088,132 Settlement Shares at a price of \$0.135 per Settlement Share.

All Private Placement and Settlement Shares are subject to a statutory hold period of four months and one day from the date of issuance.

The Private Placement Shares and Settlement Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S.

Securities Act and applicable state securities laws or an exemption from such registration is available.

The following additional information is provided in accordance with the requirements of *Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions* (“MI 61-101”).

The Debt Settlement was undertaken to settle outstanding payables and strengthen the Company's balance sheet. The transaction allows creditors to exchange debt for equity, improving financial flexibility.

Douglas Baker, an officer of the Company, was issued 743,214 Debt Settlement Shares to settle debt in the amount of \$100,334.00. Richard Cooper is a common director of the Company and Cardinal Couriers Ltd. Cardinal Couriers Ltd. was issued 1,877,511 Debt Settlement Shares to settle debt in the amount of \$253,464.00.

Douglas Baker beneficially owned or controlled 0.73% of the securities of the Company prior to the Debt Settlement. Douglas Baker beneficially owns or controls 2.82% of the securities of the Company after the Debt Settlement.

Cardinal Couriers Ltd. beneficially owned or controlled 9.08% of the securities of the Company prior to the Debt Settlement. Cardinal Couriers Ltd. beneficially owns or controls 13.08% of the securities of the Company after the Debt Settlement.

Richard Cooper abstained from voting on the resolution of the board of directors of the Company approving the debt settlement as it related to debt of Cardinal Couriers Ltd., a company of which he is a director.

A special committee was not established in connection with the approval of the Debt Settlement and no materially contrary view or abstention was expressed or made by any director of the Company.

Douglas Baker received 743,214 Settlement Shares for \$100,334 in settled debt. Cardinal Couriers Ltd. received 1,877,511 Settlement Shares for \$253,464 in settled debt. Both transactions closed on March 7, 2025.

The Debt Settlement is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the Settlement Shares acquired by the insiders, nor the consideration for the Settlement Shares paid by such insiders, exceed 25% of the Company's market capitalization. The Company did not file a material change report relating to the Debt Settlement less than 21 days before completion of the Debt Settlement as it was necessary to complete the Private Placement and Debt Settlement in an expeditious manner and is reasonable in the circumstances.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not Applicable.

7. Omitted Information:

Not Applicable.

8. Executive Officer:

Elliott Etheredge
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Mississauga, Ontario L4V 1S6
Telephone: 1 (905) 507-7409

9. Date of Report:

March 17, 2025