

**FORM 51-102F3**  
**Material Change Report**

**Item 1.        Reporting Issuer**

Hello Pal International Inc. (the “**Company**”)  
550 Denman Street, Suite 200  
Vancouver, British Columbia  
V6G 3H1

**Item 2.        Date of Material Changes**

May 25, 2021.

**Item 3.        News Release**

A news release was disseminated through PR Newswire on May 25, 2021 and subsequently filed under the Company’s profile on SEDAR.

**Item 4.        Summary of Material Changes**

On May 25, 2021, the Company satisfied the outstanding conditions for the release of the escrowed funds from the Company’s previously announced \$7.25 million brokered private placement of subscription receipts (the “**Subscription Receipts**”), which closed on May 12, 2021 (the “**Offering**”).

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

On May 25, 2021, the Company satisfied the outstanding conditions for the release of the escrowed funds from the Company’s previously announced Offering.

In connection with the escrow release, the 5,800,000 Subscription Receipts issued pursuant to the Offering have been automatically exercised into 5,800,000 common shares of the Company (each, a “**Common Share**”) and 2,899,999 common share purchase warrants of the Company (each, a “**Warrant**”). Each Warrant entitles the holder to acquire one Common Share at a price of \$2.00 until May 25, 2023. All securities issued pursuant to the Offering remain subject to a statutory hold period of four months and one day, expiring on September 13, 2021.

The Company has used a portion of the escrowed proceeds to fund the cash consideration payable to the vendor in connection with the Company’s previously announced indirect acquisition of an interest in a number of mining rigs dedicated to mining Dogecoin and Litecoin (the “**Transaction**”), which closed on May 25, 2021. In connection with the closing of the Transaction, the Company also issued 1,800,000 Common Shares at a deemed price of \$1.25 per share and 900,000 Warrants to the vendor. Each Warrant entitles the holder to acquire one Common Share at a price of \$2.00 until May 25, 2023.

Canaccord Genuity Corp. (the “**Agent**”) acted as sole agent and bookrunner in connection with the Offering. Further to the Company’s press release dated May 12, 2021, as additional consideration for services provided by the Agent in connection with the Offering, on escrow release, the Agent was issued 406,000 non-transferable warrants

(the “**Broker Warrants**”). Each Broker Warrant entitles the holder to acquire one Common Share at a price of \$1.25 until May 25, 2023.

All securities issued pursuant to the Transaction and the Broker Warrants are subject to a statutory hold period of four months and one day, expiring on September 26, 2021.

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

The report is not being filed on a confidential basis.

**Item 7. Omitted Information**

No information has been omitted.

**Item 8. Executive Officer**

Gunther Roehlig, Chief Financial Officer  
(604) 617-5421

**Item 9. Date of Report**

June 1, 2021