

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Netcoins Holdings Inc. (the “Company”)
488 – 1090 West Georgia Street
Vancouver, BC, V6E 3V7

Item 2 Date of Material Change

February 7, 2022

Item 3 News Release

A news release dated February 7, 2022 was disseminated and subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Company completed a non-brokered private placement for gross proceeds of \$1,722,030.75.

Item 5 Full Description of Material Change

On November 2, 2021, the Company closed a non-brokered private placement comprised of 15,654,825 units of the Company (each, a “Unit”) at \$0.11 per Unit for gross proceeds of \$1,722,030.75 (the “Offering”). Each Unit consisted of one (1) common share in the capital of the Company (a “Share”) and one (1) transferable common share purchase warrant of the Company (a “Warrant”). Each Warrant is exercisable into one (1) additional Share (a “Warrant Share”) at an exercise price of \$0.115 per Warrant Share on or before February 7, 2027.

In connection with the Offering, the Company paid aggregate cash finder’s fees totaling \$172,208.08 and issued 1,565,582 finder’s warrants (the “Finder’s Warrants”) to certain qualified arm’s length finders. Each Finder’s Warrant is exercisable into one (1) Share (a “Finder’s Warrant Share”) at an exercise price of \$0.115 per Finder’s Warrant Share on or before February 7, 2027.

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 June 8, 2022. The Company intends to use the proceeds from the Offering for general working capital purposes and to fund the Company’s entrance into the Canadian tobacco market, including initial product inventory purchases, regulatory security deposit requirements and staffing.

Certain insiders of the Company subscribed for a total of 10,563,917 Units pursuant to the Offering. The Offering is considered a “related party transaction” pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) as a result of insider participation. The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Offering is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 (pursuant to subsection 5.5(b) and 5.7(1)(b)) as the Company is not listed on the markets specified in MI 61-101 and neither the fair market value of the

Subscription Receipts distributed to, nor the consideration received from interested parties exceeded \$2,500,000.

The Company did not file a material change report more than 21 days before the closing of the Offering as the details of the Offering, and the confirmation of insider participation in the Offering, was not definitively known to the Company until the date of the closing of the Offering and the board of directors determined that it was in the best interests of the Company to close the Offering as soon as practicable.

The Offering resulted in the creation to two new control persons of the Company, Carson Seabolt and Mario Vetro, both directors of the Company – now holding approximately 25.4% and 24.6% of the issued and outstanding common shares of the Company, respectively.

In addition, one new insider (the “**New Insider**”) was created as a result of the completion of the Private Placement. Pursuant to the Private Placement, the New Insider acquired an aggregate of 3,181,818 Common Shares, representing approximately 15.5% of the issued and outstanding Common Shares on a non-diluted basis.

Item 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

Not applicable.

Item 8 Executive Officer

The name and telephone number of the officer of the Company who is knowledgeable about the material change and the Material Change Report is:

Kevin Ma, Chief Financial Officer

Tel: 604-363-0411

Item 9 Date of Report

February 18, 2022

FORWARD-LOOKING STATEMENTS:

Cautionary Note Regarding Forward-Looking Statements: This Material Change Report contains certain forward-looking information. Such information involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by statements herein, and therefore these statements should not be read as guarantees of future performance or results. All forward-looking statements are based on the Company’s current beliefs as well as assumptions made by and information currently available to it as well as other factors.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Material Change Report. Due to risks and uncertainties, including the risks and uncertainties identified by the Company in its public securities filings, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.