

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

1. **Name and Address of Company**

Two Hands Corporation (the "**Company**")
373 Joicey Blvd.
North York, ON M5M 2W2

2. **Date of Material Change**

March 14, 2024

3. **News Release**

A press release disclosing the material change was released on April 2, 2023, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company settled an aggregate of \$400,000 of indebtedness to a non-arm's length creditor of the Company through the issuance of 8,000,000 common shares in the capital of the Company (the "**Common Shares**") at a price of \$0.05 per Common Share (the "**Debt Settlement**").

5. **Full Description of Material Change**

On March 14, 2024, the Company settled an aggregate of \$400,000 of indebtedness to a non-arm's length creditor of the Company through the issuance of 8,000,000 Common Shares at a price of \$0.05 per Common Share.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**").

(a) **a description of the transaction and its material terms:**

In connection with the Debt Settlement, 8,000,000 Common Shares were issued an insider (the "**Insider**") of the Company.

(b) **the purpose and business reasons for the transaction:**

As the Company is in financial difficulty and the Debt Settlement was designed to improve the financial position of the Company.

(c) **the anticipated effect of the transaction on the issuer's business and affairs:**

As the Company is in financial difficulty and the Debt Settlement was designed to improve the financial position of the Company.

(d) **a description of:**

(i) **the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:**

In connection with the Debt Settlement, the following securities were issued to the Insiders of the Company:

Name	Position	Number of Common Shares	Aggregate Price
Nadav Elituv	10% Security Holder, Officer and Director	8,000,000	\$400,000
TOTAL		8,000,000	\$400,000.00

- (ii) **the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (I) for which there would be a material change in that percentage:**

Prior to the completion of the Debt Settlement, Mr. Nadav Elituv beneficially owned and controlled, directly or indirectly, 25,023,494 Common Shares. Upon closing of the Debt Settlement, Mr. Elituv, beneficially owns and controls, directly or indirectly, an aggregate of 33,023,494 Common Shares, representing approximately 28.85% of the issued and outstanding Common Shares on an undiluted and partially diluted basis.

- (e) **unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

The Debt Settlement was approved by the members of the board of directors of the Company who are independent for the purposes of the Debt Settlement, being all directors other than Mr. Elituv. No special committee was established in connection with the Debt Settlement, and no materially contrary view or abstention was expressed or made by any director of the Company in relation thereto.

- (f) **A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

- (g) **disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

- (i) **that has been made in the 24 months before the date of the material change report:**

Not applicable.

- (ii) **the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

- (h) **the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than the debt settlement agreements entered into for the Debt Settlement, the Company did not enter into any agreement with an interest party or a joint actor with an interested party in connection with the Debt Settlement. To the Company's knowledge, no related party to the Company entered into any agreement with an interest party or a joint actor with an interested party, in connection with the Debt Settlement.

- (i) **disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

The Debt Settlement constituted "related party transactions" as defined in Multilateral Instrument 61-101 – Protection of Minority Securityholders in Special Transactions ("MI 61-101"), as an insider of the Company received 8,000,000 Common Shares. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(g) and 5.7(1)(e) of MI 61-101, as the Company is in financial difficulty and the transaction is designed to improve the financial position of the Company, as determined in accordance with MI 61-101.

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

The report is not being filed on a confidential basis.

7. **Omitted Information**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer**

For further information, contact Nadav Elituv, Chief Executive Officer at (416) 357-0399 or nadav@twohandsapp.com.

9. **Date of Report**

This report is dated at Toronto, this 3rd day of April, 2024.

Cautionary Statement Regarding Forward-Looking Information

This material change report contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Any statements that are contained in this material change report contains that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "will", "estimates", "believes", "intends", "expects" and similar expressions, which are intended to identify forward-looking statements. More particularly and

without limitation, this material change report contains contains forward-looking statements concerning: the commencement of trading of the Company's Common Shares on the CSE.

These forward-looking statements are based on certain assumptions that the Company has made in respect thereof as at the date of this material change report contains regarding, among other things: the Company completing its next financing.

Although the Company believes the expectations and material factors and assumptions reflected in these forward-looking statements are reasonable as of the date hereof, there can be no assurance that these expectations, factors and assumptions will prove to be correct. These forward-looking statements are not guarantees of future performance and are subject to a number of known and unknown risks and uncertainties including, but not limited to: changes in general economic, competitive, business, political and social conditions, including changes in the financial markets; the impact of competitive entities and pricing; the ability to access various sources of debt and equity capital on favourable terms; changes in applicable laws and regulations and costs associated therewith; actions by governmental or regulatory authorities and costs associated therewith; technology and cyber security risks; natural catastrophes; and certain other risks detailed in the Company's final prospectus dated April 21, 2022, a copy of which is available on SEDAR at www.sedar.com. Accordingly, readers should not place undue reliance on the forward-looking statements contained in this material change report contains.

This list of risk factors should not be construed as exhaustive. Readers are cautioned that events or circumstances could cause results to differ materially from those predicted, forecasted or projected. The forward-looking statements contained in this document speak only as of the date of this document. The Company does not undertake any obligation to publicly update or revise any forward-looking statements or information contained herein, except as required by applicable laws. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.