

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

HYTN Innovations Inc. (the “**Company**”)
12 East 4th Avenue
Vancouver, BC V5T 1E8

Item 2 Date of Material Change

October 25, 2023

Item 3 News Release

The news release was disseminated through Globe Newswire on October 26, 2023.

Item 4 Summary of Material Change

On October 25, 2023, the Company closed a non-brokered private placement of units of the Company (“**Units**”) by issuing a total of 5,050,000 Units at a price of \$0.10 per Unit (the “**Offering**”) for aggregate gross proceeds of \$505,000. Each Unit consisted of one (1) common share in the capital of the Company (a “**Share**”) and one (1) common share purchase warrant of the Company (a “**Warrant**”). Each Warrant entitled the holder thereof to acquire one (1) additional Share (a “**Warrant Share**”) at a price of \$0.25 per Warrant Share for a period of 24 months from the closing date of the Offering.

Item 5 Full Description of Material Change

On October 25, 2023, the Company closed the Offering of Units by issuing a total of 5,050,000 Units at a price of \$0.10 per Unit for aggregate gross proceeds of \$505,000. Each Unit consisted of one (1) Share and one (1) Warrant. Each Warrant entitled the holder thereof to acquire one (1) Warrant Share at a price of \$0.25 per Warrant Share for a period of 24 months from the closing date of the Offering.

The Offering was completed pursuant to the listed issuer financing exemption (LIFE) under Part 5A of National Instrument 45-106 *Prospectus Exemptions* and therefore the securities issued in the Offering are not subject to a hold period in accordance with applicable Canadian securities laws. The Company intends to use the proceeds raised from the Offering for the repayment of certain indebtedness and for general corporate purposes and administrative expenses.

Elliot McKerr, the CEO of the Company; Eli Dusenbury, a director of the Company; Jason Broome, a director of the Company subscribed for an aggregate of 150,000 Units on the same terms as other investors for aggregate proceeds of \$15,000 (collectively, the “**Insiders**”). As a result of the participation by the Insiders, 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**”). The Company relied on Sections 5.5(a) and 5.7(1)(a) of MI 61-101 for exemptions from the requirements to obtain a formal

valuation and minority shareholder approval, respectively, because the fair market value of the Insiders' participation in the Offering was below 25% of the Company's market capitalization for purposes of MI 61-101. The Company did not file a material change report 21 days prior to the expected closing date of the Offering as the details of the Insider participation in the Offering had not been finalized at that time. The Offering has been approved by the board of directors of the Company with the directors participating in the Offering having disclosed their interest in the Offering. The Company has not received, nor has it requested a valuation of its securities or the subject matter of the Insider participation in the 24 months prior to the date hereof.

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

Not applicable.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

Elliot McKerr
Chief Executive Officer

elliott.mckerr@hytn.life
604.379.4114

Item 9 Date of Report

November 7, 2023

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION
IN THE UNITED STATES



HYTN Announces Closing of Non-Brokered Private Placement Under Listed Issuer Financing Exemption

VANCOUVER, British Columbia, October 26, 2023 – HYTN Innovations Inc. (the “**Company**” or “**HYTN**”) (CSE: HYTN) is pleased to announce that it has closed its previously announced non-brokered private placement of units of the Company (“**Units**”) by issuing a total of 5,050,000 Units at a price of \$0.10 per Unit (the “**Offering**”) for aggregate gross proceeds of \$505,000. Each Unit consists of one (1) common share in the capital of the Company (a “**Share**”) and one (1) common share purchase warrant of the Company (a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one (1) additional Share (a “**Warrant Share**”) at a price of \$0.25 per Warrant Share for a period of 24 months from the closing date of the Offering.

The Offering was completed pursuant to the listed issuer financing exemption (LIFE) under Part 5A of National Instrument 45-106 *Prospectus Exemptions* and therefore the securities issued in the Offering are not subject to a hold period in accordance with applicable Canadian securities laws. The Company intends to use the proceeds raised from the Offering for the repayment of certain indebtedness and for general corporate purposes and administrative expenses.

Certain directors and officers of the Company subscribed for an aggregate of 150,000 Units for aggregate proceeds of \$15,000 (collectively, the “**Insiders**”). As a result of the participation by the Insiders, 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**”). The Company relied on Sections 5.5(a) and 5.7(1)(a) of MI 61-101 for exemptions from the requirements to obtain a formal valuation and minority shareholder approval, respectively, because the fair market value of the Insiders' participation in the Offering was below 25% of the Company's market capitalization for purposes of MI 61-101. The Company did not file a material change report in respect of the participation of the Insiders in the Offering at least 21 days before closing of the Offering as the participation of the Insiders was not determined at that time.

The securities issued pursuant to the Offering have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons in the absence of U.S. registration or an applicable exemption from the U.S. registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful.

About HYTN Innovations Inc.

HYTN formulates, manufactures, markets, and sells premium products that contain psychoactive and psychotropic compounds. HYTN's mission is to become the top provider of these products in all federally regulated markets. To achieve this, the company focuses on identifying market opportunities and quickly bringing its innovative products to market through its elevated development platform.

Please visit www.hytn.ca for more information or contact:

Elliot McKerr
Chief Executive Officer
1.866.590.9289

HYTN Investor Relations
1.866.590.9289
investments@hytn.life

Forward-Looking Statements

This news release 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 news release 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 news release contains forward-looking statements concerning the Offering and the intended use of proceeds from the Offering. Forward-looking statements are inherently uncertain, and the actual performance may be affected by a number of material factors, assumptions and expectations, many of which are beyond the control of the Company. Readers are cautioned that assumptions used in the preparation of any forward-looking statements may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company. Readers are further cautioned not to place undue reliance on any forward-looking statements, as such information, although considered reasonable by the respective management of the Company at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. The forward-looking statements contained in this news release are made as of the date of this news release, and are expressly qualified by the foregoing cautionary statement. Except as expressly required by securities law, the Company undertakes no obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise.

The Canadian Securities Exchange (CSE) has not reviewed, approved, or disapproved the contents of this press release.