

FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

*ParcelPal Technology Inc. (the “Company”)
#305, 190 Alexander Street
Vancouver, BC V6A 2S5*

Item 2. Date of Material Change

April 14, 2020

Item 3. News Release

The news release was issued on April 14, 2020 through GlobeNewswire.

Item 4. Summary of Material Change

The Company announced it had completed a non-brokered private placement pursuant to which it issued an unsecured convertible note with a face value of up to US\$367,500 to an arm's length investor.

Item 5.1 Full Description of Material Change

See attached Schedule ‘A’

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

This Report is not being filed on a confidential basis.

Item 7. Omitted Information

None.

Item 8. Executive Officer

*Rich Wheless, Chief Executive Officer
614-395-7778*

Item 9. Date of Report

April 21, 2020



ParcelPal Closes \$367,500 USD Bridge Financing via Non-Brokered Private Placement

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Vancouver, British Columbia – April 14, 2020 – ParcelPal Technology Inc. (“ParcelPal” or the “Company”), (PKG:CSE) (FSE:PT0) (OTC:PTNYF) is pleased to announce that it has completed a non-brokered private placement (the “Offering”) pursuant to which it issued an unsecured convertible note with a face value of up to US\$367,500 to an arm's length investor (the “Note”). The terms of the Note include the following:

- the sum of US\$250,000 (the “Initial Consideration”) was advanced to the Company on closing, and \$12,500 (the “Initial Original Issue Discount”) was retained by the Noteholder through an original issue discount (the “OID”) for expenses related to the Offering, and the issuance of 300,000 common shares as investment incentive shares;
- Additional Tranche Consideration, up to US\$100,000 upon request by the Company, shall be advanced by the Noteholder in such amounts and at such date as the parties mutually agree, plus the prorated 5% OID to the Company on such amounts, and up to an additional 300,000 investment incentive shares assuming the maximum investment of not less than US\$100,000 to the company;
- the Note bears interest at a one-time guaranteed rate of 10% on the principal sum of each funded tranche, and has a Maturity Date of seven and one half months from the effective date of each tranche funding (the “Maturity Date”);
- the principal amount of the Notes shall be convertible into common shares of the Company prior to the Maturity Date, at the option of the Noteholder, at a fixed conversion price of US\$0.06 per Share (“Fixed Conversion Price”); and
- We estimate the net proceeds from this financing, including any additional tranche consideration, after deducting any fees, expenses and issue discounts payable by us, are intended to be used for certain scaling operations of the Company, on improvement and development of its technology and software, to elevate the Company’s platform, and for general corporate and working capital purposes;
- The Principal Sum due to Noteholder is prorated based on the Consideration actually paid by Noteholder, plus the 5% OID, such that the Company is only required to repay the amount funded and the Company is not required to repay any unfunded portion of the Note. The Company may prepay any outstanding portion of the Note in cash prior to the Maturity Date;
- The Company granted a right of first refusal to the Noteholder during the term of the Note to invest, at similar or better terms to the Company, in an amount equal to or greater than any future capital or equity or debt financing by the Company. During the term of the Note, if the Company issues a convertible debt security with more favorable to such other holder than contained in this Note, and if such terms were not similarly provided to the Noteholder, then at the Noteholder's option the revised terms shall apply to the terms of the Note; and
- If the Note is not repaid or fully converted on or before the Maturity Date, then the Noteholder has the option to convert the remaining outstanding Principal Amount under the Note into common shares at the Variable Conversion Price equal to the lower of: (a) US\$0.06 per share or (b) 65% of the lowest volume weighted average price of the Company’s common shares during the 10 consecutive trading days prior to the date on which Noteholder elects to convert all or part of the Note; provided, however, that any such discount to the Fixed Conversion Price is subject to

compliance with applicable Canadian securities laws and the policies and rules of the Canadian Securities Exchange or such other stock exchange on which the securities of the Company are principally traded.

The Company did not pay any finder's fees or issue any warrants in connection with the Offering.

The Note and any Shares issued upon conversion of the Note are subject to a statutory hold period expiring on the date that is four months and one day after the closing of the Offering.

CEO Rich Wheelless commented "This bridge financing is a first step towards a broader plan for the Company to continue growth, operational scaling and a higher profile in the near and longer term. This financing provides immediate capital for additional near term runway with the expansion we are beginning to undertake as planned. Given the current broader market volatility and environment that all companies are in, we are fortunate to be in the position that the company is in to provide needed services at this critical time, and to implement a plan to begin debuting in new markets. We look forward to providing further material updates as such milestones are achieved or pathways are determined."

The securities offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About ParcelPal Technology Inc.

ParcelPal is a leader in the growing technology and logistics industry. ParcelPal seamlessly connects consumers to businesses, where they have access to the goods they love, anytime, anywhere. Customers can shop at partner businesses and through the ParcelPal technology receive their purchased goods within an hour or the same day. The Company offers on-demand delivery of merchandise from leading retailers, restaurants, medical marijuana dispensaries and liquor stores in Vancouver, Calgary, Saskatoon and soon in major cities Canada-wide.

ParcelPal Website: www.parcelpal.com

The Canadian Securities Exchange ("CSE") or any other securities regulatory authority has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release that has been prepared by management.

CSE – Symbol: **PKG**

FSE – Symbol: **PT0**

OTC – Symbol: **PTNYF**

Contact: re: Investor Inquiries - info@parcelpal.com

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information contained herein may include, but is not limited to, information concerning the Offering.

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements. An investment in securities of the Company is speculative and subject to several risks including, without limitation, the risks discussed under the heading "Risk Factors" in the Company's public filings available at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice.