

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

**Item 1. Name and Address of Company**

*ParcelPal Logistics Inc. (the “Company”)  
422 Richards St., Suite 170  
Vancouver, BC V6B 2Z4*

**Item 2. Date of Material Change**

*February 13, 2024*

**Item 3. News Release**

*The news release was issued on February 14, 2024 through Newsfile Corp.*

**Item 4. Summary of Material Change**

*The Company announced that it has retained Richard Underhill with respect to the company’s previously announced non-binding Letter of Intent (see news release dated January 30, 2024) to assist the Company in developing its warehousing business division and the provision of antmining, crypto mining, related machinery, warehousing, and related crypto services. The Company also announced that it has agreed to issue (10) ten million shares at a price of \$0.01 per share (the volume-weighted-average-price for the previous 20 Trading Days as determined by the Exchange) for prior legal and advisory service provided to the Company in the aggregate amount of \$100,000. Additionally, the Company announced the issuance of an aggregate of 6,700,000 common shares in the capital of Company to certain officers and directors of the Company at a price of \$0.05 per share.*

**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 Wheelless, Chief Executive Officer  
614-395-7778*

**Item 9. Date of Report**

*February 21, 2024*



## **ParcelPal Announces Consulting Agreement, Debt Settlement and Compensation Shares**

**Vancouver, British Columbia – February 14, 2024** – ParcelPal Logistics Inc. (the “**Company**” or “**ParcelPal**”), (OTCQB:PTNYF) (CSE:PKG) (FSE:PT0A) is pleased to announce that it has retained Richard Underhill (“**Mr. Underhill**”) with respect to the company’s previously announced non-binding Letter of Intent (see news release dated January 30, 2024) to assist the Company in developing its warehousing business division and the provision of antmining, crypto mining, related machinery, warehousing, and related crypto services (“**Warehousing Division**”) pursuant to the terms of a consulting services agreement.

The Agreement provides that Mr. Underhill will be paid a fee of \$10,000 USD per month for a period of three (3) months retroactive to January 1, 2024, subject to a potential one (1) month extension, which shall be paid in common shares of the Company (“**Shares**”) as per the mutual agreement of Mr. Underhill and the Company through the end of March 2024. Upon the consummation of the first fully functioning warehouse facility for the new Warehouse Division, Mr. Underhill shall also be compensated (5) five million Shares under the terms of the Agreement, and a further (5) five million Shares upon the establishment of such additional crypto mining facilities under the terms of the Agreement. All such shares issuable hereunder are referred to herein as the “**Establishment Shares.**” Pursuant to the terms of the Agreement, upon consummation of the transactions, including entry into the Definitive Agreements, relating to the establishment of the first facility for the Warehousing Division, such other material terms, once effective, shall promptly be disclosed by the Company in subsequent releases and public filings with Sedar and the SEC.

The Shares will be issued pursuant to the prospectus exemptions provided under Sections 2.24 of National Instrument 45-106 – Prospectus Exemptions. The Establishment Shares are subject to a hold period of four months and one day. All Shares issuable under the Agreement will be issued at a price per Share equal to the 20-Day volume weighted average price at the time of issuance as provided by the applicable securities laws, rules and policies of the CSE.

The Company also announces that it has agreed to issue (10) ten million Shares at a price of \$0.01 per Share (the volume-weighted-average-price for the previous 20 Trading Days as determined by the Exchange) for prior legal and advisory service provided to the Company in the aggregate amount of \$100,000. All securities issued in connection with this payment for legal services will be subject to a statutory hold period expiring four months and one day (or six months and one day under U.S. securities law) after the date of issuance as set out in National Instrument 45-102 –Resale of Securities, unless sooner registered with the Securities and Exchange Commission.

The Company also announces the issuance of an aggregate of 6,700,000 common shares in the capital of Company to certain officers and directors of the Company (the "**Compensation Shares**"). The Shares are being issued at a price of \$0.05 per share, in accordance with policies of the Canadian Securities Exchange. All Compensation Shares issued are subject to a four (4) month and a day hold period.

The issuance of the Compensation Shares constitutes a "related party transaction" as this term is defined in Multilateral Instrument 61-101: Protection of Minority Securityholders in Special Transactions ("**MI 61-101**"). The issuance of the Shares was exempt from the valuation requirement of MI 61-101 by the virtue of the exemption contained in section 5.5(b) as the Company's Shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in Section 5.7(1)(a) as the value of the Shares issued did not exceed 25% of the Company's market capitalization. The Company did not file a material change report more than 21 days before the expected closing of the Bonus Shares transaction as the details and amounts of the bonuses were not finalized until closer to the closing and the Company wished to close the transaction as soon as practicable, which the Company deems reasonable.

### **About ParcelPal Logistics Inc.**

ParcelPal is a Vancouver, British Columbia based company that specializes in last-mile delivery service and logistics solutions. We are a customer-driven, courier and logistics company connecting people and businesses through our network of couriers. Some of our verticals include pharmacy & health, meal kit deliveries, retail, groceries and more.

ParcelPal Website: [www.parcelpal.com](http://www.parcelpal.com)

Neither the Canadian Securities Exchange ("CSE"), the Securities and Exchange Commission nor any other securities regulatory authority has reviewed and do not accept responsibility for the adequacy or accuracy of this news release that has been prepared by management.

OTCQB – Symbol: **PTNYF**

CSE – Symbol: **PKG**

FSE – Symbol: **PTOA**

### **Contact Information**

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T: (587) 883-9811

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## Forward-Looking Information

This news release contains forward-looking statements relating to the future potential of ParcelPal. Forward-looking statements are often identified by terms such as "will", "may", "should", "intends", "anticipates", "expects", "plans" and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve risks and uncertainties. These risks and uncertainties include, without limitation, the risk that the Proposed Transaction will not be completed or on time due to, among other things, failure to agree to the terms set forth in the definitive documentation, withdrawal at any time by the target company, failure to receive, be satisfied with or complete delivery of satisfactory due diligence documents and information, failure to receive the approval of the CSE, if and as needed, and the risk that ParcelPal will not be successful due to, among other things, general risks relating to the logistics industry, failure of ParcelPal to gain market acceptance of the transaction, and potential challenges related to expansion into a new country, or with the intellectual property utilized in ParcelPal and its acquisition target(s). There can be no assurance that any forward-looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The Company cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. The risk of the discontinuation of business by third party customers of the acquired business(es) cannot be guaranteed, and is a business risk that is, in large measure, out of the control of the Company. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will only update or revise publicly any of the included forward looking statements as expressly required by Canadian securities laws.