

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

1. Name and Address of Company

Danavation Technologies Corp. (the “Company”)
21 Roybridge Gate
Woodbridge, Ontario L4H 1E6

2. Date of Material Change

August 17, 2021

3. News Release

A press release disclosing the material change was released on August 17, 2021, through the facilities of Newswire.

4. Summary of Material Change

On August 17, 2021, the Company announced that it had upsized its previously announced brokered private placement of 8.0% unsecured convertible debentures of the Company and closed the private placement for aggregate gross proceeds of \$3,850,000.

5. Full Description of Material Change

The Company announced that it had upsized its previously announced brokered private placement of 8.0% unsecured convertible debentures of the Company (the “**Debentures**”) and closed the private placement for aggregate gross proceeds of \$3,850,000 (the “**Offering**”).

As consideration for the services provided by iA Private Wealth Inc. (the “**Agent**”) in connection with the Offering, the Company paid to the Agent, on behalf of itself and the syndicate, a cash commission of \$189,500.00, being 7.0% of the aggregate gross proceeds from the sale of the Debentures and a reduced cash commission equal to 3.0% of the aggregate gross proceeds from the sale of the Debentures to subscribers on the president’s list. Further, the Company issued 421,111 compensation options to the Agent and the syndicate, being 7.0% of the common shares issuable on conversion of the Debentures (3.0% with respect to president’s list subscribers).

The net proceeds of the Offering shall be used for general working capital purposes. All securities issued pursuant to the Offering are subject to a statutory hold period expiring four months and one day from closing of the Offering in accordance with applicable securities legislation.

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 John Ricci, President & Chief Executive Officer of the Company at jricci@danavation.com.

9. Date of Report.

August 27, 2021.

Forward-Looking Information

This material change report contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, this news release contains forward-looking statements and information relating to, among other things, the estimated use of proceeds from the offering, the future business of the Company, potential roll outs of the Company's products and services, further business from the Company's clients, industry outlook and potential and other matters. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information since no assurance can be given that they will prove to be correct.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, or any state securities law, and may not be offered or sold in the United States absent registration or an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy in the United States nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.