

**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**

November 17, 2023 and February 26, 2024

**3. News Release**

A press release disclosing the material changes was released on November 14, 2023, through the facilities of Newsfile Corp.

**4. Summary of Material Change**

The Company announced that it had entered into a supplemental indenture dated November 17, 2023 (the “**Supplemental Indenture**”) between the Company and Computershare Trust Company of Canada, as trustee, which amends the terms of its convertible debenture indenture dated August 17, 2021 (the “**Original Indenture**”), providing for the issuance of 8.0% unsecured convertible debentures in the aggregate principal amount of \$3,850,000 (the “**Debentures**”).

The Company also announced the appointments of George Schnarr and Robert Bartucci to its Board of Directors and the resignations of Michael Della Fortuna, Frank Borges and Jorge Martinez from its Board of Directors.

**5. Full Description of Material Change**

On February 26, 2024, the Company announced that it had entered into the Supplemental Indenture between the Company and Computershare Trust Company of Canada, as trustee, which amends the terms of the Original Indenture, providing for the Debentures.

In connection with the Supplemental Indenture, the trustee has recently confirmed that all required documents have been receipted and the Original Indenture has been amended to: (i) extend the maturity date from August 17, 2024 to September 30, 2025; (ii) amend the conversion price from \$0.45 to \$0.20; (iii) reduce the forced conversion price from \$0.75 to \$0.35; and (iv) remove the 2% prepayment penalty.

For additional details regarding the Debentures, please refer to the Company’s news releases dated August 17, 2021 and November 14, 2023, each of which, and along with the Supplemental Indenture, are available on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

Further, the Company is pleased to announce the appointments of George Schnarr and Robert Bartucci to its Board of Directors, effective immediately, and the resignations of Michael Della Fortuna, Frank Borges and Jorge Martinez from its Board of Directors. The Incoming Directors will each receive 250,000 stock options of the Company exercisable at \$0.15 for a period of three years.

**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](mailto:jricci@danavation.com).

9. **Date of Report.**

February 27, 2024

**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 material change report contains forward-looking statements and information relating to 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 material change report. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this material change report 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 material change report are expressly qualified by this cautionary statement.*

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