

Form 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of the Issuer

Xtraction Services Holdings Corp. (“**Xtraction**” or the “**Company**”)
1880 Century Park East
Suite 250
Los Angeles, California
90067

2. Date of Material Change

September 11, 2019

3. News Release

A news release regarding the material change was disseminated by the Company over Globe Newswire on September 11, 2019. A copy of the news release has been filed on SEDAR and is available at www.sedar.com.

4. Summary of Material Change

On September 11, 2019, the Company announced that it has successfully completed its previously announced business combination (the “**Business Combination**”) with Xtraction Services, Inc. (“**Xtraction Subco**”).

5. Full Description of Material Change

On September 11, 2019, the Company completed the Business Combination with Xtraction Subco in the manner described in the Company’s listing statement filed with the Canadian Securities Exchange (“**CSE**”) and under the Company’s profile on SEDAR at www.sedar.com on August 28, 2019.

In connection with the closing of the Business Combination, Xtraction de-listed its common shares from the NEX Board of the TSX Venture Exchange effective at the close of business on September 6, 2019, and commenced the trading of its subordinate voting shares (the “**Subordinate Voting Shares**”) on the CSE under the ticker “**XS**” on September 13, 2019.

In connection with the Business Combination, the Company effected a consolidation (the “**Consolidation**”) of the common shares of the Company (the “**Common Shares**”) on a one post-Consolidation Common Share for every 6.262 pre-Consolidation Common Shares basis. In addition, the Company altered its notice of articles and articles to re-

designate the post-Consolidation Common Shares as Subordinate Voting Shares, create a new class of proportionate voting shares (the “**Proportionate Voting Shares**”) and change its name from “Caracara Silver Inc.” to “Xtraction Services Holdings Corp.”

In connection with the Business Combination, the existing directors and management of the Company immediately prior to the closing of the Business Combination resigned. The outgoing directors and management were replaced by David Kivitz, President, Chief Executive Officer and director, Joseph Fazzini, Chief Financial Officer, Antony Radbod, Chief Marketing Officer and director, Gary Herman, director, and Stephen Christoffersen, director.

Further to the previously announced private placement of subscription receipts of Xtraction Subco for gross proceeds of \$5,882,000 (the “**Financing**”), in connection with the Business Combination, Xtraction Subco satisfied the escrow release conditions set out in the subscription receipt agreement dated March 22, 2019 among Xtraction Subco, the Company, Canaccord Genuity Corp., Gravitas Securities Inc. and Odyssey Trust Company. Accordingly, the net proceeds of the Financing of approximately \$5,276,800 have been released to Xtraction Subco.

As a result of the Business Combination, Archytas Ventures, LLC (“**Archytas**”) and Khrysos Global, Inc. (“**Khrysos**”), shareholders of Xtraction Subco, acquired direct beneficial ownership of Proportionate Voting Shares which, if converted into Subordinate Voting Shares, would result in such entities holding approximately 23.4% and 11.7% of the issued and outstanding Subordinate Voting Shares, respectively. Prior to completion of the Business Combination, Archytas, on a post-Consolidation basis, held 383,264 Subordinate Voting Shares of the Company representing approximately 9.8% of the Subordinate Voting Shares then issued and outstanding. Khrysos held no securities of the Company prior to the completion of the Business Combination.

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

Not applicable.

7. Omitted Information

No significant facts have been omitted from this report.

8. Executive Officer

The officer who is knowledgeable about the material change and this report is:

David Kivitz
President and Chief Executive Officer
407-900-4737
info@xtractnow.com

9. Date of Report

September 23, 2019.