

51-102F3  
MATERIAL CHANGE REPORT

**Item 1 Name and Address of Company**

Cover Technologies Inc. (the “**Company**”)  
Suite 2380 1055 West Hastings St.  
Vancouver, BC V6E 2E9

**Item 2 Date of Material Change**

July 31, 2023

**Item 3 News Release**

The news release dated July 31, 2023 was disseminated via Stockwatch and Market News.

**Item 4 Summary of Material Change**

The Company announced that, further to its news releases dated October 4, 2022 and November 15, 2022, it has received conditional approval from the Canadian Securities Exchange (“**CSE**”) for the its re-listing application on CSE Form 2A – *Listing Statement* to be completed following the closing (the “**Closing**”) of its proposed acquisition (the “**Transaction**”) of PlasCred Inc. (“**PlasCred**”) from the shareholders of PlasCred (the “**PlasCred Shareholders**”). If completed, the Transaction, an arm’s length transaction, will constitute a “fundamental change” for the Company under the policies of the CSE.

The Transaction is to be effected by a share exchange, pursuant to an amended and restated share exchange agreement dated March 1, 2023, as amended May 24, 2023 (together, the “**Agreement**”) with PlasCred and the PlasCred Shareholders, whereby the Company shall acquire all of the outstanding common shares of PlasCred (collectively, the “**PlasCred Shares**”) in consideration for the issuance by the Company of 35,000,000 post-Consolidation (as defined below) common shares (the “**Consideration Shares**”) of the Company and 5,000,000 performance-based common share purchase warrants (each, a “**Performance Warrant Share**”) at an exercise price of \$0.25 per Performance Warrant Share for a period of 60 months, subject to terms mutually agreed to by the parties.

On May 23, 2023, a majority of Cover’s shareholders approved the Transaction by way of written consent in lieu of an annual general and special meeting of shareholders, in accordance with the policies of the CSE.

Final approval and completion of the Transaction is subject to the satisfaction of conditions precedent, including without limitation: (i) completion of the change in the Company’s name to “PlasCred Circular Innovations Inc.”; and (ii) completion of any and all outstanding CSE application documentation and payment of fees pursuant to CSE policies.

A copy of the Form 2A listing statement in connection with the Transaction was prepared in accordance with the policies of the CSE and will be available on SEDAR at [www.sedar.com](http://www.sedar.com) and the CSE website prior to the commencement of trading on the CSE.

**Item 5 Full Description of Material Change**

*5.1 Full Description of Material Change*

A full description of the material change is described above in Item 4 and in the News Release dated July 31, 2023 filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

*5.2 Disclosure for Restructuring Transactions*

N/A

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

**Item 7 Omitted Information**

None

**Item 8 Executive Officer**

Dorian Banks, Chief Executive Officer, 604.687.2038

**Item 9 Date of Report**

July 31, 2023