

51-102F3  
MATERIAL CHANGE REPORT

**Item 1 Name and Address of Company**

PlasCred Circular Innovations Inc. (formerly, Cover Technologies Inc.) (the “**Company**”)  
Suite 810 – 789 West Pender St.  
Vancouver, British Columbia, V6C 1H2

**Item 2 Date of Material Change**

August 3, 2023 and August 8, 2023

**Item 3 News Release**

The news releases dated August 4, 2023 were disseminated via Newsfile Corp. and Stockwatch and Market News, as applicable.

**Item 4 Summary of Material Change**

The Company announced that its previously announced business combination transaction (the “**Transaction**”) with PlasCred Inc. (“**PlasCred**”), an innovator in the advanced plastic upcycling industry, closed on August 3, 2023 (the “**Closing**”). The Transaction was effected pursuant to an amended and restated share exchange agreement dated March 1, 2023, as amended on May 24, 2023 (the “**Agreement**”) with PlasCred and the shareholders of PlasCred (the “**PlasCred Shareholders**”), whereby the Company acquired all of the outstanding common shares of PlasCred (the “**PlasCred Shares**”) in consideration for the issuance by the Company of (i) 35,000,000 common shares (each a “**Share**”) of the Company, and (ii) 5,000,000 performance warrants (each, a “**Performance Warrant**”) to Troy Lupul, with each Performance Warrant entitling the holder to purchase up to 5,000,000 Shares (each, a “**Warrant Share**”) at an exercise price of \$0.25 per Warrant Share for a period of 60 months.

Following the Closing, PlasCred became a wholly-owned subsidiary of the Company. The Transaction constituted a “**Fundamental Change**” of the Company as defined in CSE Policy 8 – *Fundamental Changes and Changes of Business*. A majority of the Company’s shareholders approved the Transaction by way of written consent in lieu of an annual general and special meeting of shareholders on May 23, 2023, and the CSE provided conditional approval of the continued listing of the Shares on July 31, 2023.

Pursuant to the terms of a finder’s fee agreement dated August 3, 2023, an arm’s length finder (the “**Finder**”) was issued an aggregate of 1,500,000 Shares (collectively, the “**Finder’s Shares**”) at a deemed price of \$0.30 per Finder’s Share in connection with the Transaction. The Finder’s Shares are subject to a statutory hold period of four months and a day pursuant to relevant Canadian securities laws.

Following the Closing of the Transaction, the Company has 61,996,556 Shares issued and outstanding, of which approximately 41.13% of the Shares are held by current shareholders of the Company, approximately 56.45% of the Shares are held by the former PlasCred Shareholders, and approximately 2.42% of the Shares are held by the Finder.

Prior to the Closing, the Company consolidated its outstanding Shares on the basis of 2 pre-consolidation Shares for every one post-consolidation Share, and at Closing, changed its name from "Cover Technologies Inc." to "PlasCred Circular Innovations Inc."

Following the Closing, the directors and officers of the Company are as follows:

- Troy Lupul – CEO, President and Director
- Brian Hearst – CFO and Corporate Secretary
- Wayne Monnery – CTO
- Gerry Gilewicz – Director
- James Cairns – Director

Additional information regarding the business of the Company and the biographical details of the board of directors and executive officers of the Company is set out in the Company's Form 2A listing statement which is available on SEDAR+ and the CSE website.

On August 4, 2023, the Company announced that the Shares had been approved for listing on the CSE, which commenced trading on the CSE at the market open on Tuesday, August 8, 2023 under the symbol "PLAS".

## **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 Releases dated August 4, 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**

Troy Lupul, Chief Executive Officer, 403.863.4788

## **Item 9 Date of Report**

August 11, 2023