

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Railtown AI Technologies Inc.
Unit 104, 8337 Eastlake Drive
Burnaby, BC V5A 4W2

Item 2 Date of Material Change

November 30, 2021

Item 3 News Release

The news release was disseminated on November 30, 2021 through Newsfile.

Item 4 Summary of Material Change

Railtown AI Technologies Inc. (the "**Company**") announced that it has completed its prospectus offering (the "**Offering**") and listing on the Canadian Stock Exchange ("**CSE**"). The Offering consisted of 5,568,700 common shares of the Company (the "**Common Shares**") at a price of \$0.40 per Common Share for gross proceeds of \$2,227,480. The Company's Common Shares were listed on the CSE on November 29, 2021 and commenced trading on the CSE under the symbol "RAIL" on November 30, 2021.

In connection with the Offering, ROTH Canada, ULC ("**ROTH**") acted as lead agent and sole bookrunner. As consideration for ROTH's services, ROTH received a cash commission equal to 7.0% of the gross proceeds of the Offering and the Company issued to ROTH and members of its selling group, common share purchase warrants to purchase Common Shares (the "**Agent's Warrants**") equal to 10.0% of the aggregate number of Common Shares issued under the Offering. Each Agent's Warrant is exercisable at a price of \$0.40 per Common Share until November 30, 2022. ROTH also received a corporate finance fee of \$50,000 in cash and 625,000 Common Shares.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see attached news release dated November 30, 2021.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, contact:

Paul Woodward
Chief Financial Officer and Director
Tel: 604-690-3797

Item 9 Date of Report

December 9, 2021



NEWS RELEASE

RAILTOWN ANNOUNCES CLOSING OF PROSPECTUS OFFERING AND CSE LISTING

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

Burnaby, BC – November 30, 2021 - Railtown AI Technologies Inc. (CSE: RAIL) (“**Railtown**” or the “**Company**”) is pleased to announce it has completed its previously announced prospectus offering (the “**Offering**”) and listing on the Canadian Stock Exchange (“**CSE**”). The Offering consists of 5,568,700 common shares of the Company (the “**Common Shares**”) at a price of \$0.40 per Common Share for gross proceeds of \$2,227,480. The Company’s common shares were listed on the CSE on November 29, 2021 and are expected to commence trading on the CSE under the symbol “**RAIL**” on November 30, 2021.

In connection with the Offering, ROTH Canada, ULC (“**ROTH**”) acted as lead agent and sole bookrunner. As consideration for ROTH’s services, ROTH received a cash commission equal to 7.0% of the gross proceeds of the Offering and the Company issued to ROTH and members of its selling group, common share purchase warrants to purchase Common Shares (the “**Agent’s Warrants**”) equal to 10.0% of the aggregate number of Common Shares issued under the Offering. Each Agent’s Warrant is exercisable at a price of \$0.40 per Common Share until November 30, 2022. ROTH also received a corporate finance fee of \$50,000 in cash and 625,000 Common Shares.

Additional information on the Company and the Offering can be found in the Company’s final prospectus dated September 30, 2021, as filed under the Company’s profile on SEDAR at www.sedar.com.

No securities regulatory authority has either approved or disapproved the contents of this news release. This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale or any acceptance of an offer to buy these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The securities have not been and will not be registered under the United States Securities Act of 1933 (the “**U.S. Securities Act**”), as amended, or any state securities laws, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, “**U.S. persons**” (as defined in Regulation S under the U.S. Securities Act). Accordingly, the securities may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registrations requirements of the U.S. Securities Act and applicable state securities laws.

ON BEHALF OF THE BOARD OF
RAILTOWN AI TECHNOLOGIES INC.

CORY BRANDOLINI

Chief Executive Officer, President & Director

ABOUT RAILTOWN AI TECHNOLOGIES INC.

Railtown is developing a SAAS-delivered solution for software development teams that will utilize AI to drive optimizations and deliver insights at every stage of software development.

INVESTOR CONTACT

Rebecca Kerswell, Vice President, Marketing and Communications

Email: rebecca@railtown.ai

This news release contains forward-looking statements relating to the future operations of the Company and other statements that are not historical facts. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “intends”, “anticipates”, “expects” and similar expressions. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the future plans and objectives of the Company, the commencement of trading of the Company's common shares on the CSE, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are risks detailed from time to time in the filings made by the Company with securities regulators.

Readers are cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, the Company cannot guarantee that any forward-looking statement will materialize, and readers should not place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will only update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.