

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1. Name and Address of Company**

Share International Systems Inc. (the “Company”)  
Suite 501 – 1443 Spitfire Place  
Port Coquitlam, BC V3C 6L4

**Item 2. Date of Material Change**

July 8, 2024

**Item 3. News Release**

The news release announcing the material changes described herein was disseminated through GlobeNewswire and concurrently filed on SEDAR+ on July 9, 2024.

**Item 4. Summary of Material Change**

The Company closed a non-brokered private placement of debenture units of the Company (“**Debenture Units**”) for aggregate gross proceeds of \$2,000,000 (the “**Offering**”).

**Item 5. Full Description of Material Change**

**5.1 Full Description of Material Change**

The Company has completed the Offering of Debenture Units, at a price of \$1,000 per Debenture Unit, for aggregate gross proceeds of \$2,000,000. The Debenture Units were sold to one arms-length subscriber under the Offering.

Each Debenture Unit comprises of: (i) a \$1,000 principal amount of 8.0% unsecured debenture of the Company (the “**Debenture**”); and (ii) 5,000 common share purchase warrants of the Company (the “**Warrants**”). Each Warrant will entitle the holder thereof to acquire one common share in the capital of the Company (each, a “**Share**”) at an exercise price of \$0.20 per Share for a period of 36 months from the date of issuance. The Debentures bear interest from the issue date at 8.0% per annum calculated and payable annually in arrears on December 31 of each year and will mature three (3) years following the closing of the Offering (the “**Maturity Date**”). The Debentures are unsecured and will rank *pari passu* in right of payment of principal and interest with all future unsecured indebtedness of the Company. The Debentures, including any accrued and unpaid interest, will be repayable in part or in full on any one or more occasions without penalty at any time prior to the Maturity Date at the option of the Company.

The Warrants are subject to a ten percent (10.0%) blocker provision, which restricts the exercise of any underlying Warrants in the event such exercise would result in the securityholder holding ten percent (10.0%) or more of the issued and outstanding Shares at such time.

In connection with the Offering, the Company paid to a certain eligible non-arm's length finder: (i) a cash fee of \$160,000 and (ii) issued to such finder, 800,000 compensation warrants of the Company (the "**Compensation Warrants**"). Each Compensation Warrant entitles the holder thereof to purchase one (1) Share of the Company at an exercise price of \$0.20 for a period of three (3) years following the date of issuance.

The Company intends to use the net proceeds from the Offering for working capital and general corporate purposes supporting the continued growth of its Sales Pipeline<sup>1</sup> and conversion to Sales Order Backlog<sup>2</sup> (purchase orders).

The Debentures, Warrants and Compensation Warrants will not be listed or posted for trading on any stock exchange. All securities issued in connection with the Offering will be subject to a statutory hold period of four (4) months plus one (1) day from the date of issuance.

The securities described herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or under any state securities laws and may not be offered or sold in the United States or to a U.S. Person absent registration under the U.S. Securities Act and applicable state securities laws or an applicable exemption therefrom. Any failure to comply with these restrictions may constitute a violation of U.S. securities laws.

## **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**

None.

### **Item 8. Executive Officers**

The following executive officer of the Company is knowledgeable about the material changes and this Material Change Report and may be contacted:

Hanspaul Pannu  
Chief Financial Officer  
Telephone: 604-475-7710 ext. 4  
E-mail: [hanspaul.pannu@sharcenergy.com](mailto:hanspaul.pannu@sharcenergy.com)

### **Item 9. Date of Report**

DATED at Port Coquitlam, BC, this 17th day of July 2024.