

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Prospect Park Capital Corp. (the “Company”)
100 King Street West, Suite 6000
1 First Canadian Place
Toronto, Ontario M5X 1E2

2. Date of Material Change

September 3, 2021

3. News Release

A news release with respect to the material change referred to in this report was disseminated on September 8, 2021 through GlobeNewswire and filed on the system for electronic document analysis and retrieval (SEDAR).

4. Summary of Material Change

The Company entered into a definitive agreement with Diitalk Communications Inc. (“Diitalk”) and PPK Acquisition Corp., a wholly owned subsidiary of the Company, wherein the parties have agreed to the Company acquiring all of the issued and outstanding securities of Diitalk.

5. Full Description of Material Change

5.1 Full Description of Material Change

The material change is fully described in the news releases attached hereto.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) of Regulation 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For additional information, please contact James Greig, Chief Executive Officer of the Company, at (778) 788-2745.

9. Date of Report

September 9, 2021

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PROSPECT PARK CAPITAL ANNOUNCES PROPOSED NEW INVESTMENT

ENTERS INTO AGREEMENT TO ACQUIRE CURRENT INVESTEE DIITALK

Vancouver, British Columbia – September 8, 2021 – Prospect Park Capital Corp. (the “**Company**”) (CSE:PPK), a public investment issuer, is pleased to announce it has entered into a definitive agreement dated September 3, 2021 (the “**Agreement**”) with Diitalk Communications Inc. (“**Diitalk**”) and PPK Acquisition Corp., a wholly owned subsidiary of the Company, wherein the parties have agreed to the Company acquiring all of the issued and outstanding securities of Diitalk (the “**Proposed Investment**”).

Diitalk, a corporation existing under the laws of British Columbia, is in the business of operating a rewards-based communication platform and the provision of services in connection therewith, including, without limitation, VOIP calling, SMS messaging, analytics engine, mobile apps and add engines. Additional information regarding Diitalk can be found at <https://www.diitalk.com/>. Diitalk’s revenue in 2019 and 2020 was \$3,427 and \$2,481, respectively.

On April 12, 2021, the Company completed a \$150,000 convertible debt investment into Diitalk. Pursuant to the Agreement, Diitalk and PPK Acquisition Corp. will amalgamate with the amalgamating corporation (to be named Diitalk Communications Inc.) becoming a wholly owned subsidiary of the Company. In consideration for amalgamating with PPK Acquisition Corp., the shareholders of Diitalk (other than dissenting shareholders) will receive an aggregate of up to 15,000,000 common shares of the Company, and the holders of convertible securities of Diitalk (namely, common share warrants) will receive warrants of the Company exercisable for an aggregate of (subject to an exchange ratio) approximately 616,724 common shares of the Company at \$0.25 per share. In addition, the Company has agreed to advance \$50,000 to Diitalk as a refundable deposit within three days of execution of the Agreement. The securities of the Company to be issued in connection with the Proposed Investment shall be issued pursuant to the provisions of section 2.11(a) of National Instrument 45-106 - *Prospectus Exemptions*.

Following the completion of the Proposed Investment, assuming no additional common shares of the Company are issued prior to closing, it is expected that 47,347,074 common shares of the Company will be issued and outstanding. The current shareholders of the Company will hold approximately 68.3% of the common shares of the Company and the current shareholders of Diitalk will hold approximately 31.7% of the common shares of the Company.

“The acquisition of Diitalk represents a significant path forward for the Company. The Diitalk platform is a powerful communication tool on mobile devices. In addition, PPK is reviewing multiple complimentary investments to generate increased value to the Company’s market capitalization” said James Greig, Chief Executive Officer of the Company.

The Proposed Investment is not a “related party transaction” as such term is defined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. In addition, no new Related Person (as such term is defined by the Canadian Securities Exchange) is expected to be created as a result of the Proposed Investment. The Proposed Investment was negotiated at arm’s length. No finder’s fee is payable in connection with the Proposed Investment.

There will be no change of the management of the Company or of its board of directors as a result of the Proposed Investment. Notwithstanding the foregoing, a current director of the Company (Anthony Zelen) is an officer, director and shareholder (less than 10%) of Diitalk, and will comply with all rules regarding conflicts in connection with decisions to close the Proposed Transaction.

Closing of the Proposed Investment remains subject to several conditions precedent, including receipt of all required regulatory approvals and approval of the shareholders of Diitalk.

The Company is an investment issuer listed on the Canadian Securities Exchange and management of the Company aim to continue to evaluate other investment opportunities that align with the Company’s Investment Policy of investing in enterprises that have the potential to be commercially viable and have visibility toward high growth.

Additional information will be released by the Company as it occurs. There can be no assurance that any investments (including the particular acquisition contemplated herein) will be completed as proposed or at all or the timing of any investments.

For more information please contact: James Greig
Chief Executive Officer
Prospect Park Capital Corp.
Tel: (778) 788-2745

Certain statements contained in this press release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to the Company, including, the completion of the acquisition, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, and current information available to the Company, and are subject to certain risks, uncertainties and assumptions, including: completion of the Proposed Investment; receipt of all necessary approvals for the Proposed Investment; all closing conditions being waived or satisfied in a timely manner; no new Related Person being created as a result of the Proposed Investment; the Company reviewing multiple complimentary investments to generate increased value to the Company's market capitalization; and the aim of management of the Company to continue to evaluate other investment opportunities that align with the Company's Investment Policy. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. Examples of such risk factors include, without limitation: the Company's ability to obtain the required approvals; obtaining Diitalk shareholder approval; credit; market (including equity, commodity, foreign exchange and interest rate); liquidity; operational (including technology and infrastructure); reputational; insurance; strategic; regulatory; legal; environmental; capital adequacy; the general business and economic conditions in the regions in which the Company's investee's operate; the ability of the Company to execute on key priorities, including the successful completion of investments and strategic plans and to attract, develop and retain key executives; difficulty integrating newly acquired businesses; the ability to implement business strategies and pursue business opportunities; disruptions in or attacks (including cyber-attacks) on the Company's information technology, internet, network access or other voice or data communications systems or services; the evolution of various types of fraud or other criminal behavior to which the Company is exposed; the failure of third parties to comply with their obligations to the Company or its affiliates; the impact of new and changes to, or application of, current laws and regulations; granting of permits and licenses in a highly regulated businesses of investee's; the overall difficult litigation environment, including in the U.S.; increased competition; changes in foreign currency rates; increased funding costs and market volatility due to market illiquidity and competition for funding; critical accounting estimates and changes to accounting standards, policies, and methods used by the Company; the occurrence of natural and unnatural catastrophic events and claims resulting from such events; and risks related to COVID-19 including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; as well as those risk factors discussed or referred to in the Company's disclosure documents filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus

containing detailed information about the company and management, as well as financial statements.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this news release.