

## FORM 51-102F3

### MATERIAL CHANGE REPORT

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

Delota Corp. (the “**Company**”)  
7941 Jane Street, Unit 2  
Concord, Ontario L4K 2M7

**Item 2: Date of Material Change**

December 5, 2023 and December 19, 2023.

**Item 3: News Release**

News releases were disseminated on December 5, 2023 and December 19, 2023, respectively, via Newsfile Corp. and filed on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

**Item 4: Summary of Material Change**

Effective December 19, 2023, the Company completed its previously announced non-brokered private placement (the “**Offering**”) of senior secured convertible debenture units of the Company (each, a “**Debenture Unit**”) for aggregate gross proceeds of \$900,000, led by Plaza Capital (the “**Lead Investor**”). In connection with the Offering, the Company issued an aggregate of 900 Debenture Units to subscribers at a price of \$1,000 per Debenture Unit.

**Item 5.1: Full Description of Material Change**

Each Debenture Unit consisted of: (i) a \$1,000 principal senior secured convertible debenture (each a “**Debenture**”); and (ii) 10,000 common share purchase warrants (each, a “**Warrant**”) exercisable for 10,000 common shares in the Company (each, a “**Share**”). The Debentures mature 18 months from the date of issuance and bear interest at a rate of 1% per month, beginning on the date of issuance and payable in cash on the last day of each calendar month.

The principal sum of the Debentures, or any portion thereof, and any accrued but unpaid interest, may be converted into Shares at a conversion price of \$0.10 per Share, subject to adjustment conditional upon compliance with the policies of the Canadian Securities Exchange (the “**CSE**”). Each Warrant entitles the holder thereof to acquire one additional Share (each, a “**Warrant Share**”) at a price of \$0.15 per Warrant Share, subject to adjustment conditional upon compliance with the policies of the CSE, for a period of 36 months from the date of issuance.

The obligations under the Debentures are collaterally secured by a general security agreement from the Company and its wholly owned subsidiaries, 2360149 Ontario Inc. d/b/a 180 Smoke Vape Store, 180 VFC Inc., 1000712645 Ontario Inc., and Spyder Cannabis Subco Inc. d/b/a Offside Cannabis (collectively, the “**Guarantors**”) and a pledge of the security interests of the Guarantors.

Certain Debentures and all Warrants issued pursuant to the Offering (including securities into which they may be converted or exercised) are subject to a statutory hold period of four months and one day from the date of issuance thereof in accordance with applicable securities laws.

The Company will use the proceeds from the Offering for the ongoing development of the Company’s business model and for general working capital purposes.

In connection with the Offering, the Company paid the Lead Investor a closing fee of \$26,000 plus applicable taxes, equal to 4.0% of the gross proceeds arising from orders received from the Lead Investor group in the Offering and reimbursed the Lead Investor for reasonable and documented out-of-pocket expenses incurred in connection with the Offering.

**Item 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**

No information has been omitted on the basis that it is confidential information.

**Item 8: Executive Officer**

For additional information with respect to this material change, please contact:

Cameron Wickham  
Executive Vice Chair and Chief Executive Officer  
T: (905) 330-1602  
E: [info@delota.com](mailto:info@delota.com)

**Item 9: Date of Report**

December 29, 2023.