

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

**Item 1 Name and Address of Company**

Carl Capital Corp. (the "Company")  
Suite 700 - 510 West Hastings Street  
Vancouver, BC V6B 1L8

**Item 2 Date of Material Change**

September 25, 2015

**Item 3 News Release**

The news release was disseminated through Marketwired on September 28, 2015.

**Item 4 Summary of Material Change**

The Company entered into a merger agreement dated September 25, 2015 (the "Agreement") with Seattle-based FlowWorks Inc. ("FlowWorks"), a Washington corporation, and FlowData, Inc. ("Merger Sub"), a Washington corporation and a wholly-owned subsidiary of the Company, pursuant to which the Company agreed to acquire all of the issued and outstanding shares of common stock of FlowWorks.

To facilitate the transaction, FlowWorks agreed to merge with Merger Sub with FlowWorks remaining as the surviving corporation and the separate existence of Merger Sub ceasing at the effective time of the merger (the "Merger") and FlowWorks becoming a wholly-owned subsidiary of the Company. Each share of common stock in the capital of FlowWorks that is outstanding at the effective time of the Merger (other than shares held by a shareholder of FlowWorks who exercises his dissent rights) will be converted into a number of common shares of the Company (the "Acquisition Shares") equal to (i) 8,600,000 divided by (ii) the number of shares of common stock of FlowWorks outstanding immediately prior to the Merger.

In connection with the transaction, the Company anticipates that it will issue an aggregate of 7,629,397 Acquisition Shares to two shareholders of FlowWorks. In addition, one shareholder of FlowWorks, expected to hold approximately 11% of FlowWorks' shares at the time of Merger, has dissented to the transaction. The Company agreed to assume any obligation in connection with payment of fair value for such dissenting shares and all expenses in connection with dissenters' rights obligations of FlowWorks.

The Company also agreed that at or prior to the closing of the Merger, the current directors of the Company will appoint at least one nominee by FlowWorks to the board of directors of the Company.

The transaction is expected to be completed prior to October 16, 2015, subject to satisfaction of customary closing conditions. If the Merger is not completed prior to October 16, 2015, the Agreement will be terminated, unless otherwise extended by the written agreement of the Company and FlowWorks.

In connection with the Agreement, FlowWorks entered into a debt conversion agreement dated September 25, 2015 (the "Debt Conversion Agreement") with its creditor, Kerr Wood Leidal

Associates Ltd. ("KWL"). The Debt Conversion Agreement provides that effective immediately prior to the Merger, an aggregate of \$974,562.36 of debts of FlowWorks owed to KWL will be converted into shares of FlowWorks (which shares are anticipated to be converted into 4,815,999 Acquisition Shares in the Merger). In addition, KWL agreed to extend the time for repayment of the remaining debts of FlowWorks in the amount of \$400,000 to 90 days from September 25, 2015.

**Item 5 Full Description of Material Change**

*5.1 Full Description of Material Change*

A full description of the material changes are described in Item 4 above and in the attached News Release which has been filed on SEDAR.

*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**

Greg Johnston, President and Chief Executive Officer, 604.209.0034

**Item 9 Date of Report**

September 28, 2015



CSE: CRL  
Frankfurt: 7C5

## CARL CAPITAL CORP. TO ACQUIRE FLOWWORKS INC.

**September 28, 2015 – Vancouver, British Columbia** – Carl Capital Corp. (CSE: CRL, Frankfurt: 7C5) (“Carl” or the “Corporation”), a developer of Big-Data-as-a-Service (“BDaaS”)-based solutions for data integration and business intelligence, is very pleased to announce that Carl has entered into a merger agreement dated September 25, 2015 (the “Agreement”) with Seattle-based FlowWorks Inc. (“FlowWorks”), a Washington corporation, and FlowData, Inc. (“Merger Sub”), a Washington corporation and a wholly-owned subsidiary of Carl, pursuant to which Carl agreed to acquire all of the issued and outstanding shares of common stock of FlowWorks.

To facilitate the transaction, FlowWorks agreed to merge with Merger Sub with FlowWorks remaining as the surviving corporation and the separate existence of Merger Sub ceasing at the effective time of the merger (the “Merger”) and FlowWorks becoming a wholly-owned subsidiary of Carl. Each share of common stock in the capital of FlowWorks that is outstanding at the effective time of the Merger (other than shares held by a shareholder of FlowWorks who exercises his dissent rights) will be converted into a number of common shares of Carl (the “Acquisition Shares”) equal to (i) 8,600,000 divided by (ii) the number of shares of common stock of FlowWorks outstanding immediately prior to the Merger.

In connection with the transaction, Carl anticipates that it will issue an aggregate of 7,629,397 Acquisition Shares to two shareholders of FlowWorks. In addition, one shareholder of FlowWorks, expected to hold approximately 11% of FlowWorks' shares at the time of Merger, has dissented to the transaction. Carl agreed to assume any obligation in connection with payment of fair value for such dissenting shares and all expenses in connection with dissenters' rights obligations of FlowWorks.

Carl also agreed that at or prior to the closing of the Merger, the current directors of Carl will appoint at least one nominee by FlowWorks to the board of directors of Carl.

The transaction is expected to be completed prior to October 16, 2015, subject to satisfaction of customary closing conditions. If the Merger is not completed prior to October 16, 2015, the Agreement will be terminated, unless otherwise extended by the written agreement of Carl and FlowWorks.

In connection with the Agreement, FlowWorks entered into a debt conversion agreement dated September 25, 2015 (the “Debt Conversion Agreement”) with its creditor, Kerr Wood Leidal Associates Ltd. (“KWL”). The Debt Conversion Agreement provides that effective immediately prior to the Merger, an aggregate of \$974,562.36 of debts of FlowWorks owed to KWL will be converted into shares of FlowWorks (which shares are anticipated to be converted into 4,815,999 Acquisition Shares in the Merger). In addition, KWL agreed to extend the time for repayment of the remaining debts of FlowWorks in the amount of \$400,000 to 90 days from September 25, 2015.

FlowWorks is a privately held software company that helps its clients analyze and understand all forms of environmental data through a powerful platform of data collection, monitoring, analysis and reporting tools.

Carl's growth strategy is to build and acquire applications that assist in the collection, storage and analysis of large volumes of information for data centric companies.

"We are very excited about integrating Carl's big data processing solution and predicative analytics capabilities to our FlowWorks application. We believe it will add significant value to FlowWorks' existing technology. We look forward to working with Carl's team to assist us in providing the best possible application in the market for our customers and our industry," commented Brian Lofquist, President of FlowWorks.

Merging the FlowWorks' application with Carl's scalable BDaaS solution will improve the overall functionality and scalability of the FlowWorks platform, offering a better product to FlowWorks' customers. FlowWorks will continue to operate as a subsidiary of Carl and continue to offer top quality service to their existing customer base.

Carl specifically aims to improve the FlowWorks application in the area of data storage and predictive analytics. The Merger will allow Carl to use the FlowWorks platform to branch into utility markets that are underserved by data integration software and expand on the company's strategy for a turnkey enterprise solution for data centric companies.

Greg Johnston, CEO of Carl, commented, "We are looking forward to merging FlowWorks' market-leading environmental data application with Carl's BDaaS solution. FlowWorks will complement our existing technology and help us fine-tune our platform to tackle other data intensive markets. This Merger is an important next step in the expansion and capabilities of our company."

#### **About FlowWorks Inc.**

FlowWorks is a powerful web-based suite of monitoring, analysis and reporting tools enabling customers to efficiently manage all of their environmental monitoring data systems. FlowWorks consolidates data from many sources allowing customers to perform real-time analysis, check flow monitoring status and set alarms through a single interface transforming raw data into actionable information. FlowWorks is a trusted provider of time series data management software to federal, state/provincial and local government departments and consulting companies who collect, manage and process large amounts of environmental data.

#### **About Carl Capital Corp.**

Carl Capital Corp. is focused on providing next generation information collection, storage and analytics solutions for data centric companies. Building on its first acquisition, Extend to Social Media Inc., a company with an application that allows clients to leverage their customers' social networks for referral marketing and analytics, Carl develops applications to work with new cloud-based mass storage services and analytics applications (Big-Data-as-a-Service (BDaaS)). Carl is creating a virtually unlimited data storage environment from which informative visual representation of data can be created and new insights generated. Carl's goal is to deliver a comprehensive data management solution for datasets of any size and type from any source.

On behalf of the Board of Directors:

Greg Johnston  
President, Chief Executive Officer, Director

Carl Capital Corp.

**For further information please contact:**

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The Canadian Securities Exchange (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.

**Forward-Looking Statements**

This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. In particular, forward-looking statements in this press release include, but are not limited to, statements with respect to: the number of common shares of Carl to be issued pursuant to the Agreement, a shareholder of FlowWorks who is anticipated to dissent to the Merger, the date of completion of the Agreement, the statement regarding Carl’s growth strategy, the belief of Brian Lofquist, President of FlowWorks, that Carl’s big data processing solution and predicative analytics capabilities will add significant value to FlowWorks’ existing technology, the statements that merging the FlowWorks’ application with Carl’s scalable BDaaS solution will improve the overall functionality and scalability of the FlowWorks platform, offering a better product to FlowWorks’ customers; FlowWorks will continue to operate as a subsidiary of Carl and continue to offer top quality service to their existing customer base; Carl specifically aims to improve the FlowWorks application in the area of data storage and predicative analytics; the Merger will allow Carl to use the FlowWorks platform to branch into utility markets that are underserved by data integration software and expand on the company’s strategy for a turnkey enterprise solution for data centric companies; Greg Johnston’s statement that FlowWorks will complement Carl’s existing technology and help Carl fine-tune our platform to tackle other data intensive markets; and a statement that Carl’s goal is to deliver a comprehensive data management solution for datasets of any size and type from any source.

Although the Corporation believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements including, without limitation, risks with respect to: the ability of the Corporation to establish a market for its services; competitive conditions in the industry which could prevent the Corporation from becoming profitable; meeting the Corporation’s contractual timelines and milestones; general economic conditions in Canada and globally; the inability to secure additional financing; competition for, among other things, capital and skilled personnel; changes in economic and market conditions that could lead to reduced spending on the Corporation’s services; potential delays or changes in plans with respect to deployment of services or capital expenditures; the Corporation’s ability to hire and retain qualified employees and key management personnel; possibility that government policies or laws may change; amount and timing of operating costs and capital expenditures; the success of certain business combinations engaged in by the Corporation or by its competitors; possible disruptive effects of organizational or personnel changes; technological change, new products and standards; risks related to acquisitions and international expansion; reliance on large customers; reliance on a limited number of suppliers; risks related to the Corporation’s competition; the Corporation’s not adequately protecting its intellectual property; interruption or failure of information technology systems; the development, implementation and execution of the Corporation’s strategic vision and the Corporation’s technologies; and business, legal and/or regulatory risks relating to the Corporation’s business, financings and strategic acquisitions. Any forward-looking statements contained in this press release are made as of the date of this press release. The Corporation disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.