

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

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

Item 2 Date of Material Change

June 29, 2016

Item 3 News Release

The news release dated June 30, 2016 was disseminated through Marketwired on June 30, 2016.

Item 4 Summary of Material Change

The Company announced that it has executed a Note Purchase Agreement (the "Agreement") with AIP Asset Management Inc. ("AIP") pursuant to which Carl has agreed to issue certain funds of AIP (collectively, the "Holders") senior secured collateralized convertible notes (the "Notes") in the aggregate principal amount of CAD \$2,000,000 (the "Offering"). The Company has received in escrow gross proceeds of \$2,000,000.

In connection with the closing of the first tranche of the Offering, the Company has issued Notes in the aggregate principal amount of \$500,000 (the "Initial Notes"). Notes representing the balance of the \$2,000,000 (the "Additional Notes") will be issued upon satisfaction of the various closing conditions as set out in the Agreement. The Notes are due and payable two years from their respective date of issue, and will bear an interest rate of 10% per annum calculated and payable monthly, in advance. At the option of the Holders, the Notes will be convertible into common shares of the Company (each, a "Share") at a conversion price of \$0.45 per Share, subject to adjustment as provided in the Agreement.

If, at any time following four months after the issue date of any Note, the closing price per Share is at least \$0.75 per Share for 30 consecutive days with a daily weighted average trading volume of more than 400,000 Shares, the Company may force the conversion of one half of the aggregate principal amount of the outstanding Notes (the "Initial Conversion").

After the first anniversary of the issuance of the Notes, the Company, at its option, may prepay, without notice or penalty, the principal amount of all of the outstanding Notes in full or in part, together with any accrued and unpaid interest.

In connection with the issuance of the Initial Notes, the Company issued 400,000 bonus Shares to the purchasers of the Initial Notes. The Company has paid AIP a \$100,000 closing fee concurrently with the issuance of the Initial Notes and certain other consideration as provided in the Agreement, a copy of which will be filed on SEDAR.

Proceeds from the Notes will be used for the development of the Company's BDaaS technology, for further development of the FlowWorks application, sales and marketing, and for general working capital purposes.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The material change is fully described in the Company's News Release of June 30, 2016 attached as Schedule "A" hereto.

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

July 4, 2016

SCHEDULE "A"



CSE: CRL
Frankfurt: 7C5

CARL DATA SOLUTIONS ANNOUNCES CLOSING OF INITIAL TRANCHE OF \$2,000,000 GROWTH FINANCING AGREEMENT WITH AIP ASSET MANAGEMENT

June 30, 2016 – Vancouver, British Columbia – Further to its press release dated April 25, 2016, Carl Data Solutions Inc. (CSE: CRL, Frankfurt: 7C5) (“Carl” or the “Company”), a developer of Big-Data-as-a-Service (“BDaaS”) and Internet-of-Things (“IoT”) solutions for data collection and analysis, is pleased to announce that it has executed a Note Purchase Agreement (the “Agreement”) with AIP Asset Management Inc. (“AIP”) pursuant to which Carl has agreed to issue certain funds of AIP (collectively, the “Holders”) senior secured collateralized convertible notes (the “Notes”) in the aggregate principal amount of CAD \$2,000,000 (the “Offering”). The Company has received in escrow gross proceeds of \$2,000,000.

In connection with the closing of the first tranche of the Offering, the Company has issued Notes in the aggregate principal amount of \$500,000 (the “Initial Notes”). Notes representing the balance of the \$2,000,000 (the “Additional Notes”) will be issued upon satisfaction of the various closing conditions as set out in the Agreement.

The Notes are due and payable two years from their respective date of issue, and will bear an interest rate of 10% per annum calculated and payable monthly, in advance. At the option of the Holders, the Notes will be convertible into common shares of the Company (each, a “Share”) at a conversion price of \$0.45 per Share, subject to adjustment as provided in the Agreement.

If, at any time following four months after the issue date of any Note, the closing price per Share is at least \$0.75 per Share for 30 consecutive days with a daily weighted average trading volume of more than 400,000 Shares, the Company may force the conversion of one half of the aggregate principal amount of the outstanding Notes (the “Initial Conversion”).

After the first anniversary of the issuance of the Notes, the Company, at its option, may prepay, without notice or penalty, the principal amount of all of the outstanding Notes in full or in part, together with any accrued and unpaid interest.

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Proceeds from the Notes will be used for the development of the Company's BDaaS technology, for further development of the FlowWorks application, sales and marketing, and for general working capital purposes.

Greg Johnston, CEO of Carl, commented, "We're very pleased to have entered into the Agreement and closed the first tranche of the Offering with AIP. It is great to have the confidence of a long-term strategic investor that has expressed an intention to support Carl as we grow. The additional capital will allow Carl to accelerate our business plan by way of acquisitions, the launch of new applications, and expansion of our BDaaS and IoT technology."

All securities issued or issuable in connection with the Offering are or will be subject to a statutory hold period expiring on the date that is four months and one day after the distribution date.

None of the securities issued or issuable in connection with the Offering will be registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About AIP Asset Management Inc.

AIP Asset Management Inc. ("AIP") is a Toronto based privately held investment firm as - Investment Fund Manager, Portfolio Manager and Exempt Market Dealer. AIP has gained a reputation for its innovative approach to portfolio construction and commitment to investor advocacy. AIP was recently nominated for the Ernst & Young Entrepreneur of the Year Award. AIP has also been named Best Emerging Market Focused Private Investment Firm in North American at the Alternative Investment Awards and was named Best Macro Hedge Fund in Canada at the Hedge Fund Awards sponsored by Barclay Hedge. More information can be found at www.aipassetmanagement.com.

About Carl Data Solutions Inc.

Carl Data Solutions Inc. is focused on providing next generation information collection, storage and analytics solutions for data centric companies. Building on its recent acquisitions, FlowWorks Inc., a 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, and 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. More information can be found at www.CarlSolutions.com.

On behalf of the Board of Directors:

Greg Johnston
President, Chief Executive Officer, Director
Carl Data Solutions Inc.

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.

Disclaimer for Forward-Looking Information

Certain statements in this press release related to the Notes and the various loans are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the private placement financing of the Notes, including the proceeds to be raised pursuant to the Note financing, resale restrictions relating to the securities to be issued, and the use of proceeds to be raised pursuant to the Notes and the previously announced equity private placement; a statement that the Note financing will allow the Company to accelerate the development and launch of new applications in data intensive industries; 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. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Company’s ability to complete the private placement financing for the Notes, including the risk that the entire amount may not be raised as expected or at all, that the proceeds from the Notes may be used other than as set out in this news release and other factors beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forwardlooking statements, whether as a result of new information, future events or otherwise.