

51-102F3  
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Cloud Nine Web3 Technologies Inc. (the "Company")  
Suite 610, 700 West Pender Street  
Vancouver, British Columbia V6C 1G8

Item 2 Date of Material Change

May 12, 2021

Item 3 News Release

The news release dated May 12, 2021 was disseminated via the Newswire.

Item 4 Summary of Material Change

The Company announced that it has closed a non-brokered private placement of 908,655 units for gross proceeds of \$1,244,857.

Item 5 Full Description of Material Change.

5.1 Full Description of Material Change

See the attached news release for a full description of the material change.

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 Officer

Allan Larmour, Chief Executive Officer  
Telephone: 778-240-7724

Item 9 Date of Report

May 12, 2021



# CLOUD NINE WEB3 TECHNOLOGIES

## CLOUD NINE CLOSES FIRST TRANCHE OF PRIVATE PLACEMENT

VANCOUVER, British Columbia, May 12, 2021 (GLOBE NEWSWIRE) - **Cloud Nine Web3 Technologies Inc.** (“**Cloud Nine**” or the “**Company**”) (CSE: CNI) (OTC: CLGUF) (FSE: 1JI0), is pleased to announce that it has closed the first tranche of its non-brokered private placement of 908,655 units (each, a “**Unit**”) at \$1.37 per Unit for gross proceeds of \$1,244,857. (the “**Offering**”).

Each Unit consists of one common share in the capital of the Company (each, a “**Share**”) and one-half of one transferable common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder to acquire one Share at a price of \$1.75 per Share for a period of twelve months from the date of closing of the Offering. In the event that the Shares trade at a price of \$2.50 for ten (10) consecutive trading days, the Company may, at its option, accelerate the Warrant expiry date by providing notice (the “**Acceleration Notice**”) to the Warrant holders by way of a news release that the Warrants will expire on the 30<sup>th</sup> day from the date of the Acceleration Notice.

The net proceeds of the Offering will be used for working capital, software development and general corporate purposes.

All securities to be issued pursuant to the Offering will be subject to a four month and one day hold period in accordance with applicable Canadian securities laws.

None of the foregoing securities will be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

On Behalf of the Board,

**Cloud Nine Web3 Technologies Inc.**

Sefton Fincham

President

*Neither the Canadian Securities Exchange nor its regulation services provider accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contain herein.*

## **Forward-looking statements**

Certain statements in this press release 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 use of proceeds of the Offering. Such statements are qualified in their entirety by the inherent risks and uncertainties that the proceeds of the Offering 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 forward-looking statements, whether as a result of new information, future events or otherwise.