

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

June 28, 2021

Item 3 News Release

The news release dated June 28, 2021 was disseminated via the Newswire and Globe Newswire.

Item 4 Summary of Material Change

The Company announced that it has entered into a strategic alliance agreement, a share purchase agreement, and an investor rights agreement with Next Decentrum Technologies Inc., all dated June 25, 2021.

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

Sefton Fincham, President
Telephone: (604) 669-9788

Item 9 Date of Report

June 28, 2021



CLOUD NINE WEB3 TECHNOLOGIES

Cloud Nine Announces Strategic Investment in Next Decentrum

Vancouver, British Columbia, June 28, 2021 (GlobeNewswire) - Cloud Nine Web3 Technologies Inc. (CSE: CNI) (OTC: CLGUF) (FRANKFURT: 1JI0) ("**Cloud Nine**" or the "**Company**"), a leading EdTech company focused on leveraging Web 3.0 technologies, is pleased to announce that it has strengthened its existing tech development relationship with Next Decentrum Technologies Inc. ("**Next Decentrum**"), a private British Columbia corporation. Next Decentrum designs and builds dynamic, relevant, and human-led emerging tech education content and software, inspired by the modern theories of continuous innovations, lean thinking, and agile development. In connection with the new arrangement, the Company and Next Decentrum entered into a strategic alliance agreement (the "**SAA**"), a share purchase agreement (the "**SPA**") and an investor rights agreement (the "**IRA**"), each dated June 25, 2021. Pursuant to the SAA, Next Decentrum has agreed to continue to provide development services to the Company, and pursuant to the SPA, the Company closed the first and second tranches of its strategic investment in Next Decentrum. The IRA grants the Company a right of first refusal to acquire Next Decentrum in the event of a potential change in control sale.

In accordance with the terms and conditions of the SPA, Cloud Nine will acquire a 19.7% ownership interest in Next Decentrum, on an undiluted basis, by providing a total cash payment of \$500,000 in eight tranches over a period of six months, in exchange for the issuance of an aggregate of 2,673,792 units (each, a "Unit") of Next Decentrum, at a price of \$0.187 per Unit. Each Unit is comprised of: (i) one common share of Next Decentrum (each, a "**Common Share**"), and (ii) one non-transferable Common Share purchase warrant (each, a "**Warrant**"), with each Warrant entitling Cloud Nine to acquire one additional Common Share (each, a "**Warrant Share**") at a price of \$0.2805 per Warrant Share for a period of 24 months from the date of issuance. The final tranche is scheduled to be completed by December 31, 2021. Cloud Nine has the right to increase its ownership in Next Decentrum to up to 28.2% by providing an additional investment of up to \$750,000 in connection with the exercise of all 2,673,792 Warrants granted under the SPA.

The first and second tranches involved Cloud Nine's purchase of 534,758 Units of Next Decentrum for a cash payment of \$100,000.

"We are very excited about supporting the mission-driven team at Next Decentrum and expanding upon our existing relationship with their development team who has been assisting Cloud Nine with the development of our tech platform," said Sefton Fincham, President of Cloud Nine. "In particular, the market for non-fungible tokens (NFTs) and blockchain-powered innovations are growing exponentially and Next Decentrum certainly has the right team and vision to capitalize on the great opportunities available in those markets."

Next Decentrum intends to use the investment proceeds for product development, market outreach and growing the Next Decentrum team. Next Decentrum is in the process of opening up early access to

Momentable.ai, a digital collectables platform that empowers creators to create, manage, and promote NFT-based digital products, experiences, collections, and communities on the flow blockchain.

“Cloud Nine has been a great partner and this strategic investment is another step forward in our ongoing partnership,” said Hussein Hallak, CEO of Next Decentrum. “We believe that with this strategic investment along with the experience and support the Cloud Nine team brings to the table, we can significantly increase our speed to market.”

More than \$2 billion was spent on NFTs during the first quarter of 2021, representing an increase of about 2,100% from Q4 2020, according to a new report from NonFungible.com.

Momentable.ai helps creators and brands:

- Get NFT ideas off the ground and build a community around them.
- Launch an NFT storefront and marketplace on the flow blockchain.
- Build and manage NFT-based branded products and collections.
- Create a seamless experience for followers and communities.
- Engage and reward loyal community members.

For more information, please visit NextDecentrum.com.

On Behalf of the Board,
CLOUD NINE WEB3 TECHNOLOGIES INC.

Sefton Fincham
President
(604) 669-9788

About Cloud Nine Web3 Technologies Inc.

Cloud Nine is a technology company focused on diversifying its platform to develop Web 3.0 technology products to enable decentralized movement among consumers and businesses alike. Web 3.0 enables a sustainable world where decentralized users and machines are able to interact with data, value and other counterparties via a substrate of peer-to-peer networks without the need for third parties creating many benefits such as giving each user full control and ownership of all personal and corporate data.

About Next Decentrum Technologies Inc.

Next Decentrum designs and builds dynamic, relevant, and human-led emerging tech education content and software, inspired by the modern theories of continuous innovations, lean thinking, and agile development. Next Decentrum is a private technology company driven to build ground-breaking products and explore the possibilities of blockchain by providing creators and brands with the flexibility to create seamless experiences.

For further information, please contact:

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Neither the Canadian Securities Exchange nor its regulation services provider accept responsibility for the adequacy of accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained 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 future purchase of shares and increase in ownership interest in Next Decentrum; Next Decentrum’s ability to capitalize on growth opportunities; Next Decentrum’s use of the investment proceeds; the Company’s ability to build and expand its partnership with Next Decentrum; and the Company’s pursuit of emerging technology products and Web3 opportunities on a global scale. Factors that could cause actual results to differ materially from those in forward-looking statements include: the continued availability of capital and financing; failure to obtain any approvals, permits and licenses required to operate the business; the impact of technology changes on the industry; the impact of the Covid-19 pandemic on the Company’s ability to operate and hire personnel; and adverse general economic, market or business conditions. Such forward-looking statements should therefore be construed in light of such factors, and, except as required by applicable law, 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.