

**Form 51-102F3**  
**Material Change Report**

**Item 1 Name and Address of Company**

POSaBIT Systems Corporation. (the “**Company**”)  
1128 8th Street  
Kirkland WA, 98033 USA

**Item 2 Date of Material Change**

April 3, 2019

**Item 3 News Release**

A news release was disseminated on April 5, 2019 through the facilities of Business Wire

**Item 4 Summary of Material Change**

The Company has completed its reverse takeover transaction (the “**Transaction**”) with POSaBIT, Inc. (“**POSaBIT**”).

**Item 5 Full Description of Material Change**

On April 3 2019 the Company completed the Transaction with POSaBIT.

In connection with the Transaction, the Company delisted from the TSX Venture Exchange and has obtained listing approval of the Canadian Securities Exchange (the “**CSE**”) for the listing of the Company's common shares on the CSE. The common shares commenced trading on Monday, April 8, 2019 under the ticker symbol "PBIT".

Certain shares issued to the principals of the Company are subject to escrow conditions required by applicable securities laws and policies of the CSE.

Tormont Group Inc. acted as advisor to POSaBIT, Inc. in connection with the Transaction.

Further details of the Transaction are set out in the final prospectus dated March 25, 2019 of the Company, a copy of which is available under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

Concurrent with closing of the Transaction, Chris Beltgens, Benjamin Gelber and Toby Pierce have resigned as directors of the Company and Ryan Hamlin, Jon Baugher, Jeff Dossett, Michael Markette and Paul Fiore have been appointed directors of the Company. Ryan Hamlin has been appointed President and Chief Executive Officer, Jon Baugher has been appointed Chief Revenue Officer, Andrew Sweet has been appointed Chief Technology

Officer and Stephen Gledhill has been appointed Chief Financial Officer and Corporate Secretary.

Pursuant to the Transaction, Ryan Hamlin, 1128 8th Street, Kirkland, Washington, 98033, has acquired 10,647,702 common shares of the Company, representing 14% of the outstanding common shares of the Company. Of such shares, 10,222,702 common shares were issued in exchange for shares of POSaBIT, Inc. pursuant to the plan of merger, and 425,000 common shares were purchased from a director of the Company. Mr. Hamlin acquired the shares for investment purposes and may, depending on market and other conditions, increase or decrease his beneficial ownership, control or direction over securities of the Company through market transactions, private agreements or otherwise. This news release is issued pursuant to National Instrument 62-103 – The Early Warning System and Related Take-Over Bid and Insider Reporting Issues. Further information will be included in the early warning report to be filed in connection with the acquisition, which will be available at [www.sedar.com](http://www.sedar.com) under the Company's profile.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

**Item 7 Omitted Information**

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

**Item 8 Executive Officer**

Ryan Hamlin is knowledgeable about the material change and the Report and may be contacted (415) 217-7722

**Item 9 Date of Report**

April 8, 2019