

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

**1. Name and Address of Corporation**

POSaBIT Systems Corporation (the “**Corporation**”)  
11915 124th Ave NE  
Kirkland, WA, 98034

**2. Date of Material Change**

January 27, 2023.

**3. News Release**

On January 27, 2023, a news release in respect of the material change was disseminated through the facilities of Business Wire. A copy of the news release is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

**4. Summary of Material Change**

On January 27, 2023, the Corporation announced a non-brokered private placement offering of 4,533,333 units of the Corporation (the “**Units**”) at a subscription price of CAD\$0.90 per Unit, for aggregate proceeds of CAD\$4,079,999.70 (the “**Offering**”). The Offering closed on January 27, 2023.

**5. Full Description of Material Change**

On January 27, 2023, the Corporation announced a non-brokered private placement offering of 4,533,333 Units to Perga Capital Partners, LP (“**Perga**”), at a subscription price of CAD\$0.90 per Unit, for aggregate proceeds of CAD\$4,079,999.70. The Offering closed on January 27, 2023.

Each Unit consisted of one (1) common share of the Corporation (a “**Common Share**”) and 0.95 of one Common Share purchase warrant (each whole warrant, a “**Warrant**”), with each Warrant entitling the holder thereof to purchase an additional Common Share of the Corporation (a “**Warrant Share**”) for a period of thirty-six (36) months from the date of issuance, at an exercise price of CAD\$1.25 per Warrant Share.

Alex Sharp is an insider of the Corporation and exercises control or direction over Perga. Pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”), the Offering is a “related party transaction” by virtue of such insider participation. The Corporation is exempt from the formal valuation requirement of MI 61-101 in connection with the insider participation in reliance on section 5.5(b) of MI 61-101, as no securities of the Corporation are listed or quoted for trading on the Toronto Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ stock market or any other stock exchange outside of Canada and the United States. Additionally, the Corporation is exempt from obtaining minority shareholder approval in connection with the insider participation in reliance on section 5.7(1)(a) of MI 61-101 as the aggregate value of the insider participation does not exceed 25% of the market capitalization of the Corporation. Immediately prior to the closing of the Offering, Mr. Sharp held or exercised control or direction over approximately 15.13% of the Common Shares outstanding, on a partially diluted basis. On closing of the Offering, Mr. Sharp holds or exercises control or direction over approximately 20.06% of the Common Shares outstanding, on a partially diluted basis.

The board of directors of the Corporation (the “**Board**”) reviewed the merits of the Offering and oversaw the negotiation of the terms of the Offering. Disinterested members of the Board, after reviewing and considering the definitive documents relating to the Offering, including considering the alternatives to the Offering, unanimously approved the Offering. Louis Camhi, a director of the Corporation, declared an interest in the Offering to the Board and did not vote to approve the Offering.

**6. Reliance on subsection 7.1(2) of National Instrument 51-102**

N/A.

**7. Omitted Information**

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

**8. Executive Officer**

For further information, please contact Stephen M. Gledhill, Chief Financial Officer of the Corporation, at 416-347-0197.

**9. Date of Report**

February 6, 2023.