

**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**

March 31, 2023.

**3. News Release**

On April 3, 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 March 31, 2023, the Corporation entered into a previously announced credit agreement with Perga Capital Partners, LP (“**Perga**”) in connection with an up to US\$8 million unsecured credit facility (the “**Debt Facility**”). On March 31, 2023, US\$3,000,000 was advanced to the Corporation under the Debt Facility and 300,000 Share purchase warrants of the Corporation (the “**Loan Warrants**”) were issued to Perga in connection with the first draw-down. Each Loan Warrant will be exercisable for one common share of the Corporation (each, a “**Share**”) at an exercise price of C\$1.50 per Share for a period of 36 months following the date of issuance.

**5. Full Description of Material Change**

On March 31, 2023, the Corporation entered into the Debt Facility. The Debt Facility has an initial 3-year term, at an initial interest rate of 10% per annum for the first two years and a final interest rate of 12% per annum for the last year. The repayment of the Debt Facility will not be subject to any pre-payment penalty. On March 31, 2023, US\$3,000,000 was advanced to the Corporation under the Debt Facility and 300,000 Loan Warrants were issued to Perga in connection with the first draw-down. Each Loan Warrant will be exercisable for one Share at C\$1.50 per Share for a period of 36 months following the date of issuance.

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 entering into of the Debt Facility and the issuance of the Loan Warrants are each 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.

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

A copy of the Debt Facility is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

**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**

April 10, 2023.