

51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Dimension Five Technologies Inc. (the “**Company**”)
1450, 789 West Pender Street
Vancouver, BC, V6C 1H2

Item 2 Date of Material Change

July 13, 2020.

Item 3 News Release

The news release dated July 14, 2020 were disseminated via Accesswire.

Item 4 Summary of Material Change

On July 13, 2020, the Company entered into a binding letter of intent (the “**LOI**”) with Aduro Energy Inc. (“**Aduro**”) to acquire all of the issued and outstanding securities of Aduro (the “**Transaction**”).

a. The Transaction is to be a share exchange or three-cornered amalgamation pursuant to which D5 will purchase all of the Aduro Shares from the Aduro Shareholders, and the Aduro Convertible Notes from their holders, in exchange for an aggregate of 40,000,000 D5 Shares and 80,000,000 Special Warrants. The Special Warrants will automatically convert on a one for one basis into D5 common shares upon the achievement of certain milestones in the development of the Aduro business. The Parties are to negotiate the Definitive Agreement and to use all commercially reasonable efforts to complete ancillary agreements, apply for and obtain CSE approval of the Transaction, and, in particular, take the following steps:

(i) as soon as is reasonably practicable, D5 will apply to the CSE for the consent to complete the Transaction described in the Letter of Intent;

(ii) as soon as is reasonably practicable, D5 will complete a financing of at least \$500,000, a portion of which will be lent to Aduro prior to Closing to assist Aduro in its ongoing business development;

(iii) before or contemporaneous with Closing, Aduro will ensure that all Aduro options, Aduro Warrants any other rights to acquire Aduro Shares (other than the Aduro Convertible Notes) are converted or exercised, so that no rights to acquire Aduro Shares exist as at the Closing;

(iv) before or contemporaneous with Closing, Aduro will ensure that all Aduro Convertible Notes have been amended such that such notes will automatically be exchanged for a portion of the

80,000,000 Special Warrants on achievement of the first milestone described in the Letter of Intent; and

(iv) at the Closing Date, nominees of Aduro will be appointed as 4 of the 5 directors of D5, the publicly listed parent company of Aduro, and D5 will change its name to "Aduro Energy Inc."

The \$500,000 financing mentioned above will be comprised of D5 shares to be issued at \$0.05 per share and a substantial portion is intended to close within the next 30 days. Subscribers must acknowledge that \$150,000 of the funds raised will be lent to Aduro prior to closing of the Transaction with limited security, to be repaid within one year only if the first milestone is not achieved. Subscribers in this \$0.05 financing will have to acknowledge that there is no assurance the Transaction will be completed.

Item 5 Full description of Material Change

The material changes are fully described in Item 4 above and in the attached news release and LOI which have been filed on SEDAR.

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

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Chris Parr, Chief Executive Officer
Telephone: 1-604-681-1568

Item 9 Date of Report

July 21, 2020

dimensionfive

Dimension Five Technologies Inc. enters into Letter of Intent with Aduro Energy Inc.

VANCOUVER, British Columbia, July 14, 2020 – **Dimension Five Technologies Inc. (CSE: DFT) ("D5" or the "Company")** is pleased to announce that it has entered into a binding letter of intent (the "LOI") with Aduro Energy Inc. ("Aduro" or "Aduro Energy") to acquire 100% of the issued and outstanding shares of Aduro from the shareholders of Aduro (the "Transaction").

About Aduro Energy

Aduro Energy, established in 2012, is an Ontario-based private company that has developed a highly flexible clean energy platform featuring three water-based technologies: *Hydrochemolytic Plastics Upgrading* ("HPU"); *Hydrochemolytic Renewables Upgrading* ("HRU"); and *Hydrochemolytic Bitumen Upgrading* ("HBU").

New Technology, New Solutions

Originally conceived to radically enhance aspects of petroleum processing, the patented Aduro Energy solutions leverage unique properties of water to upgrade renewable oils as well as waste plastics and rubber to higher value products – cheaply and quickly. The approach is significantly more environment-friendly than established alternatives like energy-intensive pyrolysis, gasification, and decades-old methods applied to petroleum. Aduro Energy instead uses hydrochemolytics, a smart chemistry approach developed by the company. It bypasses traditional methods' reliance on high temperatures from 400 °C to as high as 1100 °C, and on hydrogen produced by conversion of natural gas at between 700 °C and 1000 °C. Although hydrochemolytics operates at only 260 °C – 390 °C, it achieves the same benefits by activating and tuning water to beneficially transform diverse feedstocks.

Aduro Energy Solutions

HPU. The *Hydrochemolytic Plastics Upgrading* technology was developed to address the mounting global problem of post-consumer plastics, foam, and rubber from used tires. These materials consist of large, durable molecules called polymers whose properties make them both useful to society and problematic to nature. Aduro Energy applies insights from its original work with petroleum to use HPU to disassemble polymers into smaller molecules, converting waste to resource. It does this through hydrochemolytics, a water-based green chemistry method that accomplishes in an hour what can take decades in nature. In some cases, the products can be purified and reused as feedstocks in the circular economy for producing new plastics or foams. Or, the polymer resource can instead be converted into hydrocarbon fuels. Either way, the application of HPU to recovered plastics, foams, and tire rubber serves to reduce the demand for crude oil while also diverting end-of-life and single-use waste materials from landfills and oceans.

HRU. The *Hydrochemolytic Renewable Upgrading* technology offers the possibility to transform renewable oils into renewable motor fuels, bio-jet fuel, and specialty chemicals. At the heart of this novel, patent-pending process is a highly scalable continuous-flow reactor that hydrochemolytically upgrades lipids regardless of fatty acid content. Feeds may include the inedible corn oil by-product from ethanol plants; oils from non-food seed crops grown on

marginal lands; off-spec canola and soybean oils; tallow; and yellow and brown grease from restaurants that often flows into wastewater treatment plants. The products obtained may also be diverse: besides renewable fuels, the core conversion technology can be configured to produce renewable specialty chemicals such as vegan saturated fatty acids for personal hygiene and industrial applications. HRU also presents a pathway to renewable resins for coatings, adhesives, sealants, and foams for seat cushions or mattresses, replacing raw materials traditionally derived from petroleum.

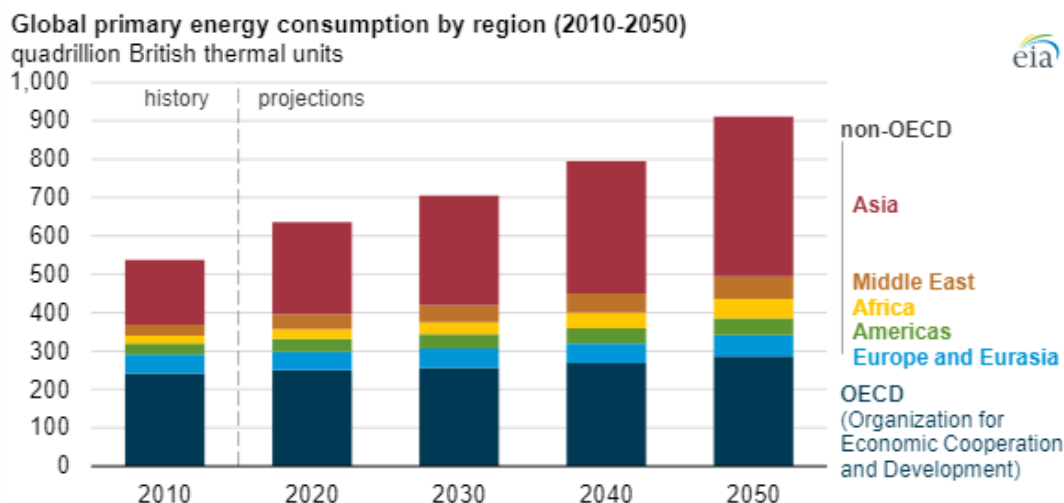
HBU. The *Hydrochemolytic Bitumen Upgrading* technology is a completely new approach for transforming heavy crude oil and bitumen into lighter crude. Covered by four patents and patents pending, HBU takes direct aim at asphaltenes and related “heavy” components in petroleum. Their presence at levels up to 25% in Alberta bitumen make it extremely dense and viscous, precluding transport by pipeline unless modified by traditional approaches. By applying hydrochemolytics, HBU efficiently deconstructs the heavy components into lighter molecules, some even being in the diesel range. The upgraded crude has superior properties compared with Western Canadian Select (WCS), including reduced values for sulfur, metals, and acid number. Reduced viscosity means it can be transported through pipelines without dilution by light hydrocarbons. Compared with alternative upgrading technologies, the additional benefits of reduced emissions and low resource demands of HBU gives environmental and competitive advantages to Alberta producers of heavy oil and bitumen.

The Industry

The annual global market for the production and wholesale pricing of ethanol and biodiesel was sized at over 136 billion US dollars. By 2024, the market is expected to grow to almost 154 billion U.S. dollars. Market growth is projected to be driven by capacity additions and higher prices for alternative fuels.

Source: <https://www.statista.com/statistics/217179/global-biofuels-market-size/>

The U.S. Energy Information Administration (EIA) projects that world energy consumption will grow by nearly 50% between 2018 and 2050. Most of this growth comes from countries that are not in the Organization for Economic Cooperation and Development (OECD), and this growth is focused in regions where strong economic growth is driving demand, particularly in Asia.



Source: <https://www.eia.gov/todayinenergy/detail.php?id=41433>

The Transaction

a. The Transaction is to be a share exchange or three-cornered amalgamation pursuant to which D5 will purchase all of the Aduro Shares from the Aduro Shareholders, and the Aduro Convertible Notes from their holders, in exchange for an aggregate of 40,000,000 D5 Shares and 80,000,000 Special Warrants. The Special Warrants will automatically convert on a one for one basis into D5 common shares upon the achievement of certain milestones in the development of the Aduro business. The Parties are to negotiate the Definitive Agreement and to use all commercially reasonable efforts to complete ancillary agreements, apply for and obtain CSE approval of the Transaction, and, in particular, take the following steps:

- (i) as soon as is reasonably practicable, D5 will apply to the CSE for the consent to complete the Transaction described in the Letter of Intent;
- (ii) as soon as is reasonably practicable, D5 will complete a financing of at least \$500,000, a portion of which will be lent to Aduro prior to Closing to assist Aduro in its ongoing business development;
- (iii) before or contemporaneous with Closing, Aduro will ensure that all Aduro options, Aduro Warrants any other rights to acquire Aduro Shares (other than the Aduro Convertible Notes) are converted or exercised, so that no rights to acquire Aduro Shares exist as at the Closing;
- (iv) before or contemporaneous with Closing, Aduro will ensure that all Aduro Convertible Notes have been amended such that such notes will automatically be exchanged for a portion of the 80,000,000 Special Warrants on achievement of the first milestone described in the Letter of Intent; and
- (iv) at the Closing Date, nominees of Aduro will be appointed as 4 of the 5 directors of D5, the publicly listed parent company of Aduro, and D5 will change its name to "Aduro Energy Inc."

The \$500,000 financing mentioned above will be comprised of D5 shares to be issued at \$0.05 per share and a substantial portion is intended to close within the next 30 days. Subscribers must acknowledge that \$150,000 of the funds raised will be lent to Aduro prior to closing of the Transaction with limited security, to be repaid within one year only if the first milestone is not achieved. Subscribers in this \$0.05 financing will have to acknowledge that there is no assurance the Transaction will be completed.

Additional Information

The LOI regarding the proposed Transaction and the Resulting Entity will be filed on SEDAR and will be available for viewing by all shareholders. If completed, the Transaction will constitute a "Fundamental Change" pursuant to CSE policies. The LOI incorporates the principal terms of the Transaction described herein, and in addition, such other terms and provisions of a more detailed structure and nature as the parties have agreed.

However, there is no guarantee that the Transaction will close. And if it does close, the Resulting Entity will have to qualify to list its shares for trading on the CSE under a Listing Application or similar disclosure document.

Trading Halt

Under CSE rules, trading in the Company's shares will remain halted until the Company either closes the Transaction or terminates the LOI.

(Not for dissemination in the United States of America)

About Dimension Five Technologies Inc.

Dimension Five Technologies Inc. based in Vancouver, British Columbia, Canada, is a public company listed on the Canadian Securities Exchange that has signed an LOI for an amalgamation transaction with Aduro Energy Inc.

For further information, please contact:

Chris Parr, CEO Chris@dimensionfive.ca

Neither the Canadian Securities Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

Completion of the Transaction is subject to a number of conditions, including but not limited to, execution of the LOI by Aduro shareholders, financings by both Aduro and the Company, CSE acceptance and, pursuant to the requirements of the CSE, shareholder approval by a majority of the minority of shareholders. There can be no assurance that the Transaction will be completed as proposed or at all.

Trading in the securities of the Company should be considered highly speculative.

All information in this news release concerning Aduro has been provided for inclusion herein by Aduro. Although the Company has no knowledge that would indicate that any information contained herein concerning Aduro is untrue or incomplete, the Company assumes no responsibility for the accuracy or completeness of any such information as the Company has not completed due diligence on Aduro.

Investors are cautioned that, except as disclosed in the listing statement or information circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

Statements about the execution of the LOI, closing of the Transaction, expected terms of the Transaction, the number of securities of the Company that may be issued in connection with the Transaction, the ownership of the Company, the requirement to obtain shareholder approval, the terms of and the completion of the Financing, the agreement of all Aduro noteholders and the parties' ability to satisfy any and all other closing conditions, and receive necessary regulatory and CSE approvals in connection therewith and anticipate costs and the ability to achieve goals are all forward-looking information. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Factors that could cause the actual results to differ materially from those in forward-looking statements include, failure to negotiate the substantive business terms, items of due diligence presenting challenges to closing that cannot be overcome, failure to get financing as required, failure to get required shareholder approval, failure to get a majority of the minority shareholder approval, failure to get Aduro noteholder approval, failure to obtain regulatory approval, the continued availability of capital and financing, and general economic, market or business conditions, changes in legislation and regulations, failure of counterparties to perform their contractual obligations, litigation, the loss of key directors, employees, advisors or consultants and fees charged by service providers. The Company assumes no responsibility to update or revise forward-looking information to

reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.