

FORM 51-102F3
Material Change Report

MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF
NATIONAL INSTRUMENT NO. 51-102

Item 1. Reporting Issuer

NexTech AR Solutions Corp. (the “Company”)
Suite 1200
750 West Pender Street
Vancouver, BC
V6C 2T8

Item 2. Date of Material Change

A material change took place on July 12, 2022

Item 3. Press Release

On July 12, 2022, a news release in respect of the material change was disseminated by the Company.

Item 4. Summary of Material Change

The Company announced that it will issue an aggregate of 7,434,115 share purchase warrants (the “Warrants”) to its service providers in connection with their employment and/or consulting arrangements with the Company. Each Warrant will be exercisable to acquire one common share of the Company (an “Underlying Share”) at an exercise price of Cdn\$0.84 for a period of one year. The Warrants will be automatically exercised in equal monthly tranches on a pro rata basis over the term of the Warrants, and the exercise price will be satisfied by the monthly salaries otherwise payable by the Company to the recipients of the Warrants.

Item 5. Full Description of Material Change

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated by reference herein.

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

The report is not being filed on a confidential basis.

Item 7. Omitted Information

No information has been omitted.

Item 8. Executive Officer

Evan Gappelberg

Item 9. Date of Report

DATED at Toronto, in the Province of Ontario, this 15th day of July, 2022.

SCHEDULE “A”

Nextech AR Becomes 3D Model Supplier For Prime Marketplace And Signs Multiple New 3D Contracts

- *Selection Demonstrates the Company's Technical Proficiency and Leadership in 3D Modeling for Ecommerce*
- *Company has Continued to Sign New 3D Modeling Deals Continuing its Rapid Expansion and Growth into Web 3.0*

TORONTO, O.N, Canada – July 12, 2022 - [Nextech AR Solutions Corp.](#) (“Nextech” or the “Company”) (OTCQB: NEXCF) (CSE: NTAR) (FSE: N29), a Metaverse Company and leading provider of augmented reality (“AR”) experience technologies and services is pleased to announce that the Company is now a 3D model supplier for the world’s largest Prime eCommerce marketplace. In addition to this significant achievement, in the past 45 days the Company has signed 17 new 3D modeling deals, continuing its rapid expansion and growth into Web 3.0 and creation of digital twins for eCommerce.

Nextech AR CEO Evan Gappelberg commented, “A rapidly rising number of companies within the eCommerce ecosystem are recognizing the game changing ROI and customer satisfaction experienced by implementing 3D/AR models on their eCommerce websites. We are currently working directly with some of the world’s largest eCommerce retailers and are integrated with the largest eCommerce marketplaces including, Shopify, BigCommerce and WooCommerce, who are now all rolling out 3D/AR and setting the standard for Web 3.0 in eCommerce. In my opinion it is evident that it won't be long before all eCommerce businesses must follow suit to stay competitive in the marketplace.” He continued, “We firmly believe that the transition from flat 2D photos to 3D models is in full swing and that 3D models are currently being established as the standard in eCommerce throughout the globe. Companies who don't adopt a 3D/AR eCommerce strategy will be left behind, as 3D/AR produces immersive shopping experiences that customers are beginning to expect. With our end-to-end solutions, white glove service and ability to scale production, Nextech AR is emerging as the digital twin ecommerce leader”

[According to Shopify](#), 3D augmented reality product models have proven to generate a 94% increase in conversions and a [40% reduction](#) in returns online. On some product pages, 3D/AR models have [increased conversion rates by up to 250%](#).

Popular categories for 3D models on Amazon and other sites include:

- Home
- Garden and Tools
- Home Decor
- Furniture
- Kitchen and Dining
- Bed and Bath
- Garden and Outdoor
- Home Improvement
- Apparel
- Handbags
- Shoes and Eyewear

In addition to being a 3D model supplier for the world’s largest prime eCommerce marketplace, Nextech AR has also closed multiple new 3D modeling deals (listed below) for ecommerce, providing the Company with a continually growing base of ARR (annual recurring revenue) and MRR (monthly recurring revenue). Winning new contracts, combined with renewals and expansion of existing contracts, is driving the rapid growth for the Company's 3D model and augmented reality business in ecommerce and growth into Web 3.0.

Examples of some new customer wins:

Furniture and Home Goods

Nextech AR has signed a variety of new [ARitize 3D](#) contracts to supply 3D models to Furniture and Home Goods suppliers:

- Surplus Furniture, a top furniture and mattress retailer in the US and Canada;
- Loft, a supplier of high quality, affordable and expertly crafted home goods and office products from across the globe;
- Marina Homes, a well-known and widely successful home furnishings brand that continues to evolve and reinvent itself, fusing the Urban and the Exotic, embracing the diversity of adventure through sourcing products from around the globe;
- Relax Sedmaisai, a provider of specialized relaxation chairs.

These 3D models will allow customers to “try before they buy”, increasing conversion to sales and reducing returns, which is especially important to this industry. The furniture and home goods industry is a strongly performing industry for the Company, and these latest contracts continue to support that.

Sports Equipment

- Sports Basement, a California sporting goods provider has signed with Nextech to provide 3D models of their top selling bicycles, with the potential to expand 3D capabilities to their other products.

This follows multiple sports related ARitize 3D deals, including Kindred Snowboards, North by North, MGI Golf, Marker Deutschland, Head, Himibike, Salamander Paddle Gear, Never Summer, The Perfect Mound, Source for Sports, Joyride Bikes and others.

Partner Agencies

Nextech AR expanded its reach and now partners with marketing and other agencies to provide models for 3rd party clients. The latest signings in this area are for niche products, such as a Nutella jar, whiskey glasses and a Wedgwood plate. These signings highlight that more and more retailers are asking for 3D models in the ecommerce space, and their marketing agencies are reaching out to Nextech for solutions for their clients.

ARitize 3D

[ARitize 3D](#) is your one-stop-shop AR solution with automated 3D model creation at an unbeatable price. Our Artificial Intelligence (AI) will turn your existing 2D product images into high-quality 3D and Augmented Reality experiences. It's fast, it's easy and it will transform your eCommerce website.

With a 3D model, clients can interact with the product to see every detail: turn it, spin it, zoom in, zoom out, leading to 40% lower product returns, 93% higher click-through rate and a 90% reduction in product photography costs. The Company believes that this value creation and ROI are leading to the rapidly growing demand for the Company's 3D technology. Transform your online store into a dynamic virtual showroom. 3D models allow customers to see products from every angle and position them in their own space prior to purchasing. It's an exciting, immersive shopping experience that keeps customers more engaged, and better informed and helps your brand stand out from the competition.

ARitize 3D is the One-Stop-Shop 3D + AR solution for eCommerce that is:

- **Affordable** - lowest cost provider
- **Scalable** - fastest, seamless , high quality
- **Frictionless** - requires low implementation effort
- **AI & ML powered** - automated 3D model creation
- **End to End** - from model creation to CMS & AR visualization

Brands are invited to [Contact Us](#) to let our team help you start selling using 3D models for your online store today.

The Company also announces today that in order to manage its cash flow and reduce or possibly eliminate its dependency of raising capital for payroll it has established a new share purchase warrant program pursuant to which it will issue an aggregate of 7,434,115 share purchase warrants (the “Warrants”) to its service providers in connection with their employment and/or consulting arrangements with the Company. Each Warrant will be exercisable to acquire one common share of the Company (an “Underlying Share”) at an exercise price of Cdn\$0.84 for a period of one year. The Warrants will be automatically exercised in equal monthly tranches on a pro rata basis over the term of the Warrants, and the exercise price will be satisfied by the monthly salaries otherwise payable by the Company to the recipients of the Warrants. Upon exercise, the recipients of the Warrants may opt to either receive the Underlying Shares, or participate in a managed sale program to sell the Underlying Shares on the open market and receive the cash proceeds. Any shortfall as a result of participation in such a managed sale program will be funded by the Company.

To learn more, please follow us on [Twitter](#), [YouTube](#), [Instagram](#), [LinkedIn](#), and [Facebook](#), or visit our website: <https://www.Nextechar.com>.

For further information, please contact:

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About Nextech AR

Nextech AR Solutions is the engine accelerating the growth of the Metaverse. Using breakthrough AI, Nextech AR is able to quickly, easily and affordably ARitize (transform) vast quantities and varieties of existing assets at scale making products, people and places ready for interactive 3D use, giving creators at every level all the essential tools they need to build out their digital AR vision in the Metaverse. Our platform-agnostic tools allow brands, educators, students, manufacturers, creators, and technologists to create immersive, interactive and the most photo-realistic 3D assets and digital environments, compose AR experiences, and publish them omnichannel. With a full suite of end-to-end AR solutions in 3D Commerce, Education, Events, and Industrial Manufacturing, Nextech AR is in a unique position to meet the needs of the world’s biggest brands and all Metaverse contributors.

Nextech funds the development of its AR and Metaverse growth initiatives through its e-Commerce platforms, which currently generate most of its revenue. Nextech's e-commerce platforms include vacuumcleanermarket.com (“VCM”), infinitepetlife.com (“IPL”) and Trulyfesupplements.com (“TruLyfe”). VCM and product sales of residential vacuums, supplies and parts, and small home appliances sold on Amazon. These e-commerce platforms serve as an incubator for developing and testing Nextech's leading-edge AR, AI and machine learning applications for powering next-generation e-commerce technology.

Forward-looking Statements

The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Certain information contained herein may constitute “forward-looking information” under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, “will be” or variations of such words and phrases or statements that certain actions, events or results “will” occur. Forward-looking statements regarding the completion of the transaction are subject to known and unknown risks, uncertainties and other factors. There can be no assurance that such statements will prove to be accurate, as future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Nextech will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.