

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**” or “**Nextech**”)
PO Box 64039, Toronto
RPO Royal Bank Plaza
Toronto, Ontario, M5J 2T6
Canada

Item 2. **Date of Material Change**

A material change took place on July 25, 2023.

Item 3. **Press Release**

A news release in respect of the material change was disseminated on July 25, 2023.

Item 4. **Summary of Material Change**

The Company announced that it has closed its previously announced marketed public offering (the “**Offering**”) of units of the Company (the “**Units**”) at a price of \$0.42 per Unit for aggregate gross proceeds of approximately \$2,546,203. The Offering was led by Research Capital Corporation as the sole agent and sole bookrunner.

Each Unit is comprised of one common share of the Company (a “**Common Share**”) and one Common Share purchase warrant of the Company (a “**Warrant**”). Each Warrant shall entitle the holder thereof to purchase one Common Share at an exercise price of \$0.52 for a period of 36 months following closing of the Offering.

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.

The Company announced that it has closed its Offering of Units at a price of \$0.42 per Unit for aggregate gross proceeds of approximately \$2,546,203.

Pursuant to the Offering, Evan Gappelberg acquired an aggregate of 250,000 Units at a price of \$0.42 per Unit. Mr. Gappelberg is an insider of the Company. As of July 25, 2023, immediately prior to the closing of the Offering, Mr. Gappelberg held, directly and indirectly an aggregate of 10,912,499 Common Shares and convertible securities entitling Mr. Gappelberg to acquire an additional 12,581,152 Common Shares, representing approximately 9.73% of the issued and outstanding Common Shares (and approximately 18.84% on a partially diluted basis assuming exercise of such convertible securities only). Following the closing of the Offering, Mr. Gappelberg directly and indirectly holds an aggregate of 11,162,499 Common

Shares and convertible securities entitling Mr. Gappelberg to acquire an additional 12,831,152 Common Shares, representing approximately 9.43% of the issued and outstanding Common Shares (and approximately 18.29% on a partially diluted basis assuming exercise of such convertible securities only).

The Offering was approved by the board of directors pursuant to directors' resolutions dated July 17, 2023. The transaction is exempt from the formal valuation and minority shareholder approval requirements of applicable securities laws as at the time the Offering was agreed to, neither the fair market value of the subject matter of, or the fair market value of the consideration for, the Offering insofar as it involves interested parties, exceeded 25% of the Company's market capitalization.

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 1st day of August, 2023.

SCHEDULE "A"

Nextech3D.ai Announces Closing of \$2.5 Million Brokered Offering, With Participation by CEO

NOT FOR DISSEMINATION IN OR INTO THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES

Toronto, ON – July 25, 2023 – Nextech3D.AI (the "**Company**") (formerly known as "Nextech AR Solutions Corp") (OTCQX: NEXCF) (CSE: NTAR) (FSE: EP2) is pleased to announce that it has closed its previously announced brokered private placement offering (the "**Offering**"), led by Research Capital Corporation as the sole agent and sole bookrunner (the "**Agent**"), of 6,062,390 units of the Company (each, a "**Unit**") at a price of \$0.42 per Unit for aggregate gross proceeds of \$2,546,203.

Each Unit is comprised of one common share of the Company (a "**Common Share**") and one purchase warrant of the Company (a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.52 for a period of 36 months from closing of the Offering.

The Offering was conducted pursuant to the amendments to National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**") set forth in Part 5A thereof (the "**Listed Issuer Financing Exemption**") to purchasers resident in Canada, except Québec. The Units offered under the Listed Issuer Financing Exemption will not be subject to resale restrictions pursuant to applicable Canadian securities laws.

The net proceeds from the Offering will be used for working capital and general corporate purposes.

Mr. Evan Gappelberg, CEO and Director of the Company, subscribed for 250,000 Units in the Offering. The issuance of the Units to an insider pursuant to the Offering constitutes a 'related party transaction' within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company has relied on certain exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a), 5.5(b) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the Offering, as the Company is not listed on specified markets and neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves the related parties, exceeds 25% of the Company's market capitalization (as determined under MI 61-101).

In connection with the Offering, the Company paid the Agent cash commission of \$183,296 and issued to the Agent 447,133 non-transferable broker warrants (the “**Broker Warrants**”). Each Broker Warrant shall entitle the holder thereof to purchase one Unit at an exercise price of \$0.42 per Unit for a period of 36 months following the closing of the Offering. The Company also paid the Agent a corporate finance advisory fee consisting of 178,571 Units (such Units are subject to a 4 month and 1 day hold period), \$4,200 in cash and 20,000 Advisor Warrants which bear the same terms as the Broker Warrants.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”) or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

About Nextech3D.ai

Nextech AR Solutions Corp. (“**Nextech3D.ai**” or the “**Company**”) (OTCQX: NEXCF) (CSE: NTAR) (FSE: EP2) is a diversified augmented reality, AI technology company that leverages proprietary artificial intelligence (AI) to create 3D experiences for the metaverse. Its main businesses are creating 3D WebAR photorealistic models for the Prime Ecommerce Marketplace as well as many other online retailers. The Company develops or acquires what it believes are disruptive technologies and once commercialized, spins them out as stand-alone public Companies issuing a stock dividend to shareholders while retaining a significant ownership stake in the public spin-out.

On October 26, 2022 Nextech3D.ai spun out its spatial computing platform, “ARway.ai” as a stand alone public Company. ARway.ai is disrupting the augmented reality wayfinding market with a no-code, no beacon spatial computing platform enabled by visual marker tracking. Nextech3D.ai retained 13 million shares in ARway and distributed 4 million shares to Nextech3D.ai shareholders. ARway.ai is currently listed on the Canadian Securities Exchange (CSE:ARWY), in USA on the OTCQB (OTC: ARWYF) and Internationally on the Frankfurt Stock Exchange (FSE: E65).

On June 14, 2023, the Company completed its second spinout of Toggle3D.ai, a groundbreaking SaaS solution that utilizes generative AI to convert CAD files, apply stunning 4K texturing, and enable seamless publishing of superior 4K 3D models.

Nextech3D.ai retained 13 million shares in Toggle3D.ai and distributed 4 million shares to Nextech3D.ai shareholders. Toggle3D.ai is trading on the Canadian Securities Exchange (CSE:TGGL) and in the USA (OTC:TGGLF).

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:

Investor Relations Contact

Lindsay Betts

investor.relations@Nextechar.com

866-ARITIZE (274-8493) Ext 7201

Nextech3D.ai

Evan Gappelberg

CEO and Director

866-ARITIZE (274-8493)

Disclaimer for Forward-Looking Information

This news release includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements that relate to the use of proceeds of the Offering.

Statements contained in this release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of the Company. Such statements can generally, but not always, be identified by words such as “expects”, “plans”, “anticipates”, “intends”, “estimates”, “forecasts”, “schedules”, “prepares”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. All statements that describe the Company’s plans relating to operations and potential strategic opportunities are forward-looking statements under applicable securities laws. These statements address future events and conditions and are reliant on assumptions made by the Company’s management, and so involve inherent risks and uncertainties, as disclosed in the Company’s periodic filings with Canadian securities regulators. As a result of these risks and uncertainties, and the assumptions underlying the forward-looking information, actual results could materially differ from those currently projected, and there is no representation by the Company that the actual results realized in the future will be the same in whole or in part as those presented herein. The Company disclaims any intent or obligation to update forward-looking statements or information except as required by law. Readers are referred to the additional information regarding the Company’s business contained in the Company’s reports filed with the securities regulatory authorities in Canada. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that could cause actions, events or results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company’s filings that are available at www.sedar.com.

The Company provides no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company does not undertake to update any forward looking statements, other than as required by law.