

**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 August 1, 2023.

Item 3.

Press Release

A news release in respect of the material change was disseminated on August 1, 2023.

Item 4.

Summary of Material Change

The Company announced the appointment of Anthony Pizzonia, CPA, to the Board of Directors and as a member of the Audit Committee.

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 10th day of August, 2023.

SCHEDULE "A"

Nextech3D.ai Reports Record Preliminary Q2 Revenue Up +155% To \$1.4Mill & Guides Towards Breakout Q3 Revenue +200% of \$1.7Mill - \$1.9Mill Amid Surging 3D Model Demand

Generative AI Positions Company For Breakout Revenue Growth in 2023

Generative AI Driving Exponential Growth For Web3.0 Portfolio of Technologies for Ecommerce

AI is Enabling Scaling of 3D Model Production

Join Proactive News & CEO Evan Gappelberg for an Investor Livestream TODAY at 12 p.m ET / 9 a.m PT

TORONTO, O.N, Canada – August 1 , 2023 - [Nextech3D.AI](#) (formerly "Nextech AR Solutions Corp" or the "Company") (OTCQX: NEXCF) (CSE: NTAR) (FSE: EP2), a Generative AI-Powered 3D model supplier for Amazon, P&G, Kohls and other major e-commerce retailers is pleased to announce its preliminary unaudited financial and operating results for its second quarter ended June 30, 2023.

Preliminary Q2 2023 Financial Highlights:

- Revenue for Q2 2023 was \$1.4 million, up +155% compared to 2022;
- Revenue for 6-months ending June 30th, was \$2.7 million up +157% compared to 2022;
- Gross profit remained consistent at 38%, contributing \$1.1 million and \$0.5 million year to date and for Q2, respectively;
- Gross margin is expected to increase to 40-50% next quarter, and increase in Q4 and 2024 as its AI takes over

Evan Gappelberg - CEO Commentary:

Nextech3D.ai CEO Evan Gappelberg comments" Our preliminary results for Q2 were impressive, as we achieved record sales of \$1.4 million. However, what excites me even more is the exciting growth we are witnessing in our Q3 and Q4 orders. Based on the current order flow from Amazon, we are projecting a breakout Q3 quarter with revenue of at least \$1.7 million, and we also anticipate an expansion in profit margins." He continued, "We believe there is potential for the revenue to exceed \$1.7 million as that is our conservative estimate for Q3. This quarter is expected to be the long-awaited turning point for our company. This belief is reinforced by the recent announcement of a significant expansion contract worth \$2.2 million from Nextech3D.ai's largest customer, Amazon. This contract highlights the success of Nextech3D.ai's groundbreaking generative-AI technology, positioning the company as the leading AI solution globally for scaling 3D model production in the thriving e-commerce, gaming, and manufacturing industries. Furthermore, thanks to our latest funding round, our cash position is now robust enough to accommodate the increased demand we anticipate in the second half of 2023 and beyond."

Investor Livestream

JOIN US: Today, Tuesday, August 1st, 2023

TOPIC: Amazon Partnership Part II

Time: 12:00 p.m ET / 9:00 a.m PT

Presenters: Evan Gappelberg (Founder and CEO), and Reza Davariar (COO)

Link to join: <https://www.youtube.com/watch?v=aL2bz3wlpvI>

To watch part I of this livestream series, click here: [The Nextech3D.ai Amazon Partnership Explained](#)

Board of Directors and Audit Committee Changes

The Company would also like to announce the appointment of Anthony Pizzonia, CPA, to the Board of Directors and as a member of the Audit Committee.

Anthony has over 30 years of experience in operating, financing, and business development within the public markets and has a demonstrated ability to manage financial and operational challenges within dynamic and growing businesses.

Mr. Pizzonia currently serves as Senior Director of Finance for GS1, a global standards organization. Previously, Mr. Pizzonia held a variety of positions with increasing responsibility for over 24 years, at AlarmForce Industries, one of the largest residential security companies in North America. He ultimately served as Director and Chief Financial Officer from 1992 to 2016, and eventually President before the company was acquired by Bell Canada (BCE) in Sept 2017. Mr. Pizzonia was also CFO of ImaginAR, a publicly traded technology company that provides a self-publishing platform that integrates with a mobile app to instantly create augmented reality campaigns. Mr. Pizzonia is a Chartered Public Accountant and holds an Honours Bachelor of Administrative Studies degree from York University.

Recent News

- [**Nextech3D.ai Announces \\$2.2Million Expansion Contract From Its Largest Enterprise Customer Driving A Surge In 3D-Modeling Demand in Q3**](#)
- [**Nextech3D.ai Announces Major Market Expansion of Its 3D Modeling Business Into Gaming & Manufacturing Industries**](#)
- [**Nextech3D.ai Files to Uplist on NASDAQ Capital Market and Signs Large Enterprise Renewal and Expansion Contract With Major Retailer For Over 1000+ 3D Models**](#)

The Public Company CEO Experience Podcast

Nextech3D.ai has recently “The Public Company CEO Experience Podcast,” featuring Evan Gappelberg, a highly accomplished three-time public company CEO and serial entrepreneur. The podcast offers listeners an exclusive behind-the-scenes look into the dynamic life of a public company CEO with valuable insights, while also discussing trending topics and providing business updates on Nexech3D.ai, Toggle3D.ai, and ARway.ai. To learn more please visit <https://www.nextechar.com/investors/the-ceo-experience>

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About Nextech3D.ai

(formally “Nextech AR Solutions Corp” 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:

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Nextech3D.ai

Evan Gappelberg

CEO and Director

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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.