

## 51-102F3 MATERIAL CHANGE REPORT

### Item 1 Name and Address of Company

#### VSBLTY GROUPE TECHNOLOGIES CORP. (the “Company”)

#300 – 417 North 8th Street  
Philadelphia, Pennsylvania  
19123

### Item 2 Date of Material Change

June 29, 2021

### Item 3 News Release

The Company disseminated a news release dated June 29, 2021 and subsequently filed a copy on [www.sedar.com](http://www.sedar.com).

### Item 4 Summary of Material Change

The Company closed a prospectus offering and concurrent private placement of units for total gross proceeds of approximately \$9.78 million.

### Item 5 Full Description of Material Change

The Company closed its previously announced public offering of 18,400,000 units of the Company (the “Units”) at a price of \$0.50 per Unit for aggregate gross proceeds of \$9,200,000 (the “Offering”), including the full exercise of the Agent’s (as defined herein) over-allotment option.

Each Unit is comprised of one common share (a “Common Share”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “Warrant”). Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.65 until June 29, 2024. The Warrants are expected to commence trading on the Canadian Securities Exchange under the symbol “VSBY.WT.A” on June 30, 2021.

The Offering was conducted on a commercially reasonable “best efforts” basis by Echelon Wealth Partners Inc. (the “Agent”). As compensation, the Company paid to the Agent a cash fee of approximately \$644,000 and issued to the Agent an aggregate of 1,288,000 Warrants (the “Agent’s Warrants”). Each Agent’s Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.50 per Common Share until June 29, 2024.

The Units were offered and sold by way of a short form prospectus filed in the provinces of British Columbia, Alberta, Saskatchewan and Ontario. A copy of the final short form prospectus dated June 24, 2021 is available on SEDAR at [www.sedar.com](http://www.sedar.com).

In addition, the Company announced the closing of its U.S. non-brokered private placement of units, with terms identical to the Units, pursuant to which the Company issued 1,162,384 units for gross proceeds of \$581,192 (the “Concurrent Private Placement”). The securities issued pursuant to the Concurrent Private Placement are subject to resale restrictions, including a Canadian four-month hold period. No fees or compensation are payable to the Agent in connection with the Concurrent Private Placement.

The Company intends to use the proceeds of the Offering and the Concurrent Private Placement for sales & marketing, research & development and for other general corporate purposes, as more particularly set out in the final short form prospectus dated June 24, 2021, available under the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

Pursuant to subscription agreements with the Company, which contained customary covenants, representations and warranties for a transaction of this type, insiders of the Company were issued 246,704 units for aggregate gross proceeds of \$123,352 and, accordingly, the Concurrent Private

Placement constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

Alnesh Mohan, a director of the Company, directly purchased 50,000 units for gross proceeds of \$25,000, and following the Offering and the Concurrent Private Placement the percentage of common shares of the Company he beneficially owns or controls changed from approximately 0.123% to approximately 0.137%. Thomas D. Hays, a director of the Company, directly purchased 196,704 Units for gross proceeds of \$98,352, and following the Offering and the Concurrent Private Placement the percentage of common shares of the Company he beneficially owns or controls changed from approximately 1.013% to approximately 1.012%.

The Concurrent Private Placement was considered and approved by the board of directors of the Company. There was no materially contrary view by any director approving the Concurrent Private Placement.

The issuance of the units to insiders under the Concurrent Private Placement is exempt from the formal valuation and the minority shareholder approval requirements of MI 61-101 by virtue of the exemptions in sections 5.5(a) and 5.7(a) of MI 61-101, as the fair market value of the units issued to or the consideration paid by such person did not exceed 25% of the Company’s market capitalization.

The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Concurrent Private Placement, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Concurrent Private Placement and complete the Concurrent Private Placement in an expeditious manner.

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

This report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

**Item 7 Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8 Executive Officer**

The following officer of the Company is knowledgeable about the material change disclosed in this report: Jay Hutton, CEO and Director, Tel: 1-877-261-4466

**Item 9 Date of Report**

June 29, 2021



**NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR  
DISSEMINATION IN THE UNITED STATES**

**VSBLTY ANNOUNCES CLOSING OF UPSIZED AND OVERSUBSCRIBED  
PUBLIC OFFERING AND PRIVATE PLACEMENT OF UNITS FOR TOTAL GROSS  
PROCEEDS OF \$9.78 MILLION**

PHILADELPHIA, PA., June 29, 2021 /PRNewswire/ – VSBLTY Groupe Technologies Corp. (the “Company” or “VSBLTY”) (CSE:VSBY) is pleased to announce that it has closed its previously announced public offering of 18,400,000 units of the Company (the “Units”) at a price of \$0.50 per Unit for aggregate gross proceeds of \$9,200,000 (the “Offering”), including the full exercise of the Agent’s (as defined herein) over-allotment option.

Each Unit is comprised of one common share (a “Common Share”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “Warrant”). Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.65 until June 29, 2024. The Warrants are expected to commence trading on the Canadian Securities Exchange under the symbol “VSBY.WT.A” on June 30, 2021.

The Offering was conducted on a commercially reasonable “best efforts” basis by Echelon Wealth Partners Inc. (the “Agent”). As compensation, the Company paid to the Agent a cash fee of approximately \$644,000 and issued to the Agent an aggregate of 1,288,000 Warrants (the “Agent’s Warrants”). Each Agent’s Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.50 per Common Share until June 29, 2024.

The Units were offered and sold by way of a short form prospectus filed in the provinces of British Columbia, Alberta, Saskatchewan and Ontario. A copy of the final short form prospectus dated June 24, 2021 is available on SEDAR at [www.sedar.com](http://www.sedar.com).

In addition, the Company is pleased to announce the closing of its U.S. non-brokered private placement of units, with terms identical to the Units, pursuant to which the Company issued 1,162,384 units for gross proceeds of \$581,192 (the “Concurrent Private Placement”). The securities issued pursuant to the Concurrent Private Placement are subject to resale restrictions, including a Canadian four-month hold period. No fees or compensation are payable to the Agent in connection with the Concurrent Private Placement. Certain insiders of

the Company acquired units in the Concurrent Private Placement. The participation by such insiders in the Concurrent Private Placement constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Such participations are exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 based on the fact that neither the fair market value of the shares subscribed for by the insiders, nor the consideration for the shares paid by such insiders, would exceed 25% of the Company's market capitalization.

The Company intends to use the proceeds of the Offering and the Concurrent Private Placement for sales & marketing, research & development and for other general corporate purposes, as more particularly set out in the final short form prospectus dated June 24, 2021, available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States. Such securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

*On Behalf of the Board of VSBLTY Groupe Technologies Corp.*

"Jay Hutton"  
CEO & Director

CONTACT:

Investor Relations

CHF Capital Markets  
Cathy Hume, CEO, +1-416-868-1079, x251  
[cathy@chfir.com](mailto:cathy@chfir.com)

About VSBLTY ([www.vsblty.net](http://www.vsblty.net))

Headquartered in Philadelphia, VSBLTY (CSE: VSBY) is a leader in Proactive Digital Display™, which transforms retail and public spaces as well as place-based media networks with SaaS-based audience measurement and security software that uses artificial intelligence and machine learning.

#### FORWARD LOOKING STATEMENT

This news release contains forward-looking statements, including statements regarding the Offering and the Concurrent Private Placement, including the use of proceeds, and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate",

"expects" and similar expressions. All statements other than statements of historical fact included in this release are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, and which are described in the Company's public filings available under its profile at [www.sedar.com](http://www.sedar.com). The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company does not intend to update any of the included forward-looking statements except as required by Canadian securities laws.

**The Canadian Securities Exchange has not reviewed, approved, or disapproved the content of this news release.**