

## 51-102F3

### MATERIAL CHANGE REPORT

#### Item 1: Name and Address of Company

VSBLTY GROUPE TECHNOLOGIES CORP. (the “Company” or “VSBLTY”)  
Suite 206, 595 Howe St., Vancouver, British Columbia, V6C 2T5, Canada

#### Item 2: Date of Material Change

July 25, 2023

#### Item 3: News Release

The Company disseminated a news release dated July 25, 2023 and subsequently filed a copy on [www.sedar.com](http://www.sedar.com).

#### Item 4: Summary of Material Change

The Company announced that it has closed the second tranche of its previously announced non-brokered private placement for gross proceeds of approximately \$481,350.

The Company also announced that the Company settled an aggregate of \$80,000 of outstanding indebtedness in consideration for 1,600,000 Units (as defined hereafter) issued at a price of \$0.05 per Unit.

#### Item 5.1: Full Description of Material Change

The Company announced that further to its news releases dated July 11 and July 21, 2023 it closed the second tranche (the “**Second Tranche**”) of its previously announced non-brokered private placement (the “**Private Placement**”) offering of units of the Company (“**Units**”) at a price of \$0.05 per Unit (the “**Offering**”), issuing 9,627,000 for gross proceeds of approximately \$481,350. Together with the first tranche of the Private Placement, the Company has raised, in aggregate, total gross proceeds of approximately \$3,843,850 under the Private Placement.

As part of the Second Tranche, the Company also settled an aggregate of \$80,000 of outstanding indebtedness in consideration for 1,600,000 Units issued at a price of \$0.05 per Unit.

Each Unit issued in the Second Tranche is comprised of one common share in the capital of the Company (a “**Share**”) and one Share purchase warrant (a “**Warrant**”), with each Warrant entitling the holder thereof to acquire one additional Share (a “**Warrant Share**”) at a price of \$0.075 per Warrant Share until July 25, 2027. All of the Units issued in the Second Tranche are subject to a statutory hold period until November 26, 2023.

Directors and officers of the Company acquired an aggregate of 3,167,000 Units in the Second Tranche for aggregate gross proceeds of \$158,350. The participation by such

insiders in the 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**”). The related party transaction was exempt from minority approval, information circular and formal valuation requirements pursuant to the exemptions contained in Sections 5.5(a) and 5.7(1) of MI 61-101, as neither the fair market value of the gross securities issued under the Offering nor the consideration paid by the insiders exceeded 25% of the Company’s market capitalization.

In connection with the Private Placement, the Company has paid finders fees of \$124,865 and has issued an aggregate of 3,091,900 Share purchase warrants (the “**Finders Warrants**”) and 900,900 Shares to eligible finders. Each Finders Warrant entitles the holder thereof to acquire one Share at a price of \$0.075 per Share for a period of 24 months from the applicable closing date.

### **Related Party Disclosure**

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

**(a) a description of the transaction and its material terms:**

See item 5 above.

**(b) the purpose and business reasons for the transaction:**

See item 5 above.

**(c) the anticipated effect of the transaction on the issuer’s business and affairs:**

See item 5 above.

**(d) a description of:**

**(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:**

Prior to the completion of the Offering, Alnesh Mohan, an officer of the Company, held 250,000 common shares of the Company. Pursuant to the Offering, Alnesh Mohan acquired 200,000 Units. After completion of the Offering, the number of common shares beneficially owned or controlled by Alnesh is 450,000 common shares or approximately 0.14% of the outstanding common shares of the Company.

Prior to the completion of the Offering, Fred Potok, an officer of the Company, held 4,929,235 common shares of the Company. Pursuant to the Offering, Fred Potok acquired 129,000 Units. After completion of the Offering, the number of common shares beneficially owned or controlled by Fred Potok is 5,058,235 common shares or approximately 1.55% of the outstanding common shares of the Company.

Prior to the completion of the Offering, Luiz Barros, an officer of the Company, held 0 common shares of the Company. Pursuant to the Offering, Luiz Barros acquired 1,290,000 Units. After completion of the Offering, the number of common shares beneficially owned or

controlled by Luiz Barros is 1,290,000 common shares or approximately 0.04% of the outstanding common shares of the Company.

Prior to the completion of the Offering, Gary Gibson, an officer of the Company, held 45,000 common shares of the Company. Pursuant to the Offering, Gary Gibson acquired 1,290,000 Units. After completion of the Offering, the number of common shares beneficially owned or controlled by Gary Gibson is 1,335,000 common shares or approximately 0.41% of the outstanding common shares of the Company.

Prior to the completion of the Offering, Linda Rosanio, an officer of the Company, held 253,333 common shares of the Company. Pursuant to the Offering, Linda Rosanio acquired 258,000 Units. After completion of the Offering, the number of common shares beneficially owned or controlled by Linda Rosanio is 511,333 common shares or approximately 0.16% of the outstanding common shares of the Company.

**(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:**

See item (d)(i) above.

**(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

Resolution passed by the board of directors of the Company on July 11, 2023. No special committee was established in connection with the transaction.

**(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

**(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

**i. that has been made in the 24 months before the date of the material change report:**

Not applicable.

**ii. the existence of which is known, after reasonable enquiry, to the issuer or to any director or senior officer of the issuer:**

Not applicable.

**(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than subscription agreements entered into with the related parties described above, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

**(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101, respectively, and the facts supporting reliance on the exemptions:**

The participation of each of Alnesh Mohan, Gary Gibson, Linda Rosanio, Fred Potok and Luiz Barros in the Offering constitutes a related party transaction under MI 61- 101. The Company is relying on the exemptions from the valuation requirement and the minority approval requirement set out in subsections 5.5(a) Fair Market Value Not More than 25% of Market Capitalization and 5.7(1)(a) Fair Market Value not More than 25% of Market Capitalization, of MI 61-101, respectively.

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 Offering, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Offering and complete the Offering in an expeditious manner.

The Company will send a copy of this material change report to any security holder of the Company upon request and without charge.

**Item 5.2: Disclosure for Restructuring Transactions**

Not applicable.

**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**

July 31, 2023