

Form 51-102F3

**Material Change Report**

**Item 1 Name and Address of Company**

Goat Industries Ltd. (the “**Issuer**”)  
810 – 789 West Pender Street  
Vancouver, BC V6C 1H2

**Item 2 Date of Material Change**

May 8, 2023

**Item 3 News Release**

The news release was disseminated by Stockwatch and subsequently filed on SEDAR.

**Item 4 Summary of Material Change**

The Issuer entered into a secured loan agreement (the “**Loan Agreement**”) dated May 8, 2023 with Summit Bancorp Inc. (the “**Lender**”), whereby it will receive an amount of up to CDN\$500,000 (the “**Loan**”) on a credit facility basis.

**Item 5 Full Description of Material Change**

**5.1 Full Description of Material Change**

The Issuer entered into the Loan Agreement dated May 8, 2023 with the Lender, whereby it will receive a Loan on a credit facility basis.

Pursuant to the Loan Agreement, the Loan will be funded in draws, with each draw being a maximum of CDN\$50,000 unless the parties agree to a larger amount (each, a “**Draw**”), and the first Draw has been made by the Issuer for an aggregate amount of CDN\$75,000. The Loan and Draws are secured and evidenced by promissory notes. Interest on the Loan is payable at a rate of fifty percent (50%) per annum with the interest on the entire Draw being due in advance at the end of the first month. Both the Issuer and the Lender agree that the repayment term on each tranche of the Loan shall be a maximum of two (2) years. The Issuer at its option, may pay off the Loan and any outstanding interest by issuing common shares (“**Shares**”) at the time of repayment based on a 20-day volume weighted average, with such Shares being issued using the maximum allowable discount to the market price at the time issuance in accordance with the policies of the Canadian Securities Exchange.

As security for the payment of the Issuer’s obligations and fulfilment and satisfaction of all covenants and agreements made under the Loan Agreement, and any promissory notes thereunder, the Issuer has entered into general security agreements (“**GSAs**”) with parties who funded the first Draw, pursuant to which the Issuer has granted a security interest in all personal property of the Issuer.

The Issuer will use the proceeds of the Loan for working capital and general corporate purposes.

No finder's fees were paid in connection with the Loan.

Subject to compliance with applicable regulatory requirements and in accordance with National Instrument 45-106 – *Prospectus and Registration Exemptions* (“**NI 45-106**”), the promissory notes were issued pursuant to section 2.37 of NI 45-106.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Lawrence Hay, CEO, Interim CFO and Corporate Secretary  
Business Telephone: 604-687-2038

**Item 9 Date of Report**

June 8, 2023