

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

HydroGraph Clean Power Inc. (the "**Company**" or "**HydroGraph**")  
403 - 580 Hornby Street  
Vancouver, BC V6C 3B6

2. **Date of Material Change**

November 30, 2023

3. **News Release**

A news release disclosing the material change was disseminated through various approved public media and filed on SEDAR+ on December 01, 2023.

4. **Summary of Material Change**

HydroGraph announced that it has closed the first tranche of its previously announced non-brokered private placement of units of the Company (the "**Units**"), pursuant to which the Company issued 10,260,856 Units at a price of C\$0.10 or US\$0.074 per Unit (the "**Offering Price**"), for aggregate gross proceeds of approximately C\$1.03 million (the "**Offering**").

5.1 **Full Description of Material Change**

HydroGraph announced that it has closed the first tranche of the Offering, pursuant to which the Company issued 10,260,856 Units at the Offering Price, for aggregate gross proceeds of approximately C\$1.03 million.

Each Unit consists of one common share in the capital of the Company (each, a "**Common Share**") and one half of one common share purchase warrant of the Company (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share (each a "**Warrant Share**") at a price of \$0.18 per Warrant Share for a period of 24 months after the closing date of the Offering (the "**Closing Date**"). The Warrants are subject to an acceleration right (the "**Warrant Acceleration Right**"), exercisable by the Company, if on any ten consecutive trading days the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange is \$0.18 or greater per Common Share. If the Company exercises its Warrant Acceleration Right, the new expiry date of the Warrants will be the 30th day following the notice of such exercise.

Certain insiders of the Company participated in the Offering and subscribed for a total of 1,622,135 Units. Each of the insiders is a related party of HydroGraph, and therefore the Offering is considered a "**related party transaction**" subject to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements provided under subsections 5.5(a) and 5.7(1)(a) of MI 61-101 on the basis that participation in the Offering by insiders did not exceed 25% of the Company's market capitalization. The Company did not file a material change report more than 21 days before the expected closing of the Offering as the details of the Offering and the participation therein by related parties were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons.

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 5.1 above, as well as the News Release, for a description of the transaction.*

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

*To raise funds for application development, business development and general working capital purposes.*

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

*See paragraph (b) above.*

(d) a description of:

(i) the interests in the transaction of every interested party and of the related parties and associated entities of the interested parties;

*In connection with the Offering, 137,000 Units were issued to Kjirstin Breure, the President and a director of the Company, at the Offering Price.*

*In connection with the Offering, 675,000 Units were issued to Stuart Jara, the Chief Executive Officer and a director of the Company, at the Offering Price.*

*In connection with the Offering, 675,000 Units were issued to Robert Wowk, the Chief Financing Officer of the Company, at the Offering Price.*

*In connection with the Offering, 135,135 Units were issued to Paul Cox, a director of the Company, at the Offering Price.*

(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 referred to in subparagraph (i) for which there would be a material change in that percentage:

*In connection with the Offering, 137,000 Units were issued to Ms. Breure. Prior to the completion of the Offering, Kjirstin Breure held, directly or indirectly, 450,000 Common Shares and 3,300,000 options. Upon closing of the Offering, Ms. Breure now holds an aggregate 137,000 Common Shares (representing less than 1.0% of the Common Shares issued and outstanding), and 68,500 Warrants (representing less than 1.0% of the total warrants issued and outstanding of the Company).*

*In connection with the Offering, 675,000 Units were issued to Mr. Jara. Prior to the completion of the Offering, Mr. Jara held, directly or indirectly, 1,250,000 Common Shares, 625,000 Warrants and 5,000,000 options. Upon closing of the Offering, Mr. Jara now holds an aggregate of 1,925,000 Common Shares (representing less than 1.05% of the Common Shares issued and outstanding) and 962,500 Warrants (representing less than 2.7% of the total warrants issued and outstanding of the Company).*

*In connection with the Offering, 675,000 Units were issued to Mr. Wowk. Prior to the completion of the Offering, Mr. Wowk held, directly or indirectly, 1,000,000 Common Shares, 500,000 Warrants and 3,510,000 options. Upon closing of the Offering, Mr. Wowk now holds an aggregate*

of 1,675,000 Common Shares (representing less than 1.0% of the Common Shares issued and outstanding) and 837,500 Warrants (representing less than 2.4% of the total warrants issued and outstanding of the Company).

In connection with the Offering, 135,135 Units were issued to Mr. Cox. Prior to the completion of the Offering, Mr. Cox held, directly or indirectly, 275,000 Common Shares, 137,500 Warrants and 750,000 options. Upon completion of the Offering, Mr. Cox now holds an aggregate of 410,135 Common Shares (representing less than 1.0% of the Common Shares issued and outstanding) and 205,068 Warrants (representing less than 1.0% of the total warrants issued and outstanding of the Company).

- (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:

*The Offering has been approved by the Company's Board of Directors.*

- (f) a summary, in accordance with section 6.5, 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 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:
  - (ii) the existence of which is known, after reasonable inquiry, 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 interest party or a joint actor with an interested party, in connection with the transaction:

*Other than subscription agreements for the Units, 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, respectively, and the facts supporting reliance on the exemptions:

*The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, given that neither (A) the fair market value of the subject matter of, nor (B) the fair market value of the consideration for, the transaction, insofar as it involves interested parties, exceeds 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.*

*The Company did not file a material change report more than 21 days before the expected closing of the Offering as the details of the Offering and the participation therein by related parties were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons.*

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

The report is not being filed on a confidential basis.

**7. Omitted Information**

No significant facts have been omitted from this Material Change Report.

**8. Executive Officer**

For further information, contact Kjirstin Breure, President, [kjirstin@hydrograph.com](mailto:kjirstin@hydrograph.com), (604-220-3120)

**9. Date of Report**

This report is dated December 11, 2023.