

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

**Item 1. Name and Address of Company**

X1 Entertainment Group Inc. (the “Company”)  
615 – 800 West Pender Street  
Vancouver, BC V6C 2V6

**Item 2. Date of Material Change**

November 10, 2023

**Item 3. News Release**

The news release announcing the material change described herein was disseminated through Stockwatch and concurrently filed on SEDAR+ on November 6, 2023.

**Item 4. Summary of Material Change**

The Company has implemented the previously announced consolidation of its common shares in the capital of the Company on a five (5) for one (1) basis.

**Item 5.1. Full Description of Material Change**

Further to the Company’s news release dated November 2, 2023, the Company completed a consolidation of the authorized and issued common shares of the Company (the “**Common Shares**”), effective at the opening of the markets on November 10, 2023, on the basis of a one (1) post-consolidated Common Share for each five (5) pre-consolidation Common Shares (the “**Consolidation**”).

No fractional Common Shares will be issued upon the Consolidation. In the event a holder of Common Shares would otherwise be entitled to receive a fractional Common Share in connection with the Consolidation, the number of Common Shares to be received by such shareholder will be rounded down to the next whole number if that fractional Common Share is less than one half (1/2) of a Common Share, and will be rounded up to the next whole number of Common Shares if that fractional Common Share is equal to or greater than one half (1/2) of a Common Share.

Effective at the opening of markets on November 10, 2023, the Common Shares began trading on the Canadian Securities Exchange on a post-Consolidation basis under the existing ticker “XONE”. The new CUSIP number is 983787201 and the new ISIN number is CA9837872014.

Registered shareholders whose holdings are represented by a physical share certificate will be sent a letter of transmittal from Odyssey Trust Company, transfer agent to the Company, with information related to the exchange of the physical certificate for a Direct Registry System (“**DRS**”) statement or new physical share certificate representing the post-Consolidation holdings of the shareholder. Intermediaries, such as brokerage houses and financial institutions, who may hold physical certificates on behalf of a beneficial shareholder will facilitate the transmittal of the Common Shares in those instances, however beneficial positions held through CDS and DTC will be automatically exchanged on completion of the Consolidation. Registered shareholders whose holdings are represented by a DRS statement will receive a new, post-Consolidation DRS statement showing the adjustment to their position.

**Item 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**

No information was omitted.

**Item 8. Executive Officers**

Adam Giddens  
Chief Executive Officer  
Email: [agiddens@highlandcontact.com](mailto:agiddens@highlandcontact.com)

**Item 9. Date of Report**

November 15, 2023