

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

Item 1: Name and Address of Company

RDARS Inc. (the “**Company**”)
2 Covington Road, Suite 507
North York, Ontario
M6A 3E2

Item 2: Date of Material Change

May 31, 2023.

Item 3: News Release

A news release was disseminated on May 31, 2023 via Newsfile Corp. and subsequently filed on SEDAR at www.sedar.com, a copy of which is attached hereto as Schedule “A”.

Item 4: Summary of Material Change

The Company announced that its board of directors has approved a consolidation (the “**Share Consolidation**”) of the Company’s share capital on a twenty-for-one basis. The Share Consolidation received shareholders’ approval at the Company’s annual, general and special meeting of the shareholders held on May 31, 2023.

The Company began trading on a post-consolidation basis on June 6, 2023, at the commencement of trading on the Canadian Securities Exchange.

Item 5.1: Full Description of Material Change

The Share Consolidation has reduced the number of issued and outstanding Common Shares from 354,425,745 Common Shares to approximately 17,721,287 Common Shares. A letter of transmittal was sent by mail to registered shareholders advising that the Share Consolidation took effect.

The letter of transmittal contains instructions on how registered shareholders can exchange their share certificates or Direct Registration System (“**DRS**”) statements evidencing their pre-Share Consolidation Common Shares for new share certificates or new DRS statements representing the number of post-Share Consolidation Common Shares to which they are entitled.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7: Omitted Information

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

Item 8: Executive Officer

For additional information with respect to this material change, the following person may be contacted:

Charles Zwebner

Chief Executive Officer

T: (786) 564-5602

E: charles.zwebner@rdars.com

Item 9: Date of Report

June 9, 2023.

SCHEDULE "A"

(See attached.)

RDARS INC.

ANNOUNCES INTENTION TO CONSOLIDATE ITS SHARE CAPITAL

Toronto, Ontario – May 31, 2023 – RDARS Inc. (“**RDARS**” or the “**Company**”) (CSE: RDRS), an autonomous robotics and drone technology company developing advanced systems for alarm system augmentation and surveillance, is pleased to announce that its board of directors have approved a consolidation (the “**Share Consolidation**”) of the Company’s share capital on a twenty-for-one basis. The Share Consolidation was approved at the Company’s annual and special meeting of shareholders held on May 31, 2023.

The Company will begin trading on a post-consolidation basis on June 6, 2023, at the commencement of trading on the Canadian Securities Exchange (“**CSE**”).

The Share Consolidation will reduce the number of issued and outstanding common shares (“**Common Shares**”) from 354,425,745 Common Shares to approximately 17,721,287 Common Shares. A letter of transmittal will be sent by mail to registered shareholders advising them that the Share Consolidation has taken effect. The letter of transmittal will contain instructions on how registered shareholders can exchange their share certificates or Direct Registration System (“**DRS**”) statements evidencing their pre-consolidation Common Shares for new share certificates or new DRS statements representing the number of post-consolidation Common Shares to which they are entitled.

The exercise or conversion price and the number of Common Shares issuable under any of the Company’s outstanding warrants and stock options will be proportionately adjusted to reflect the Share Consolidation in accordance with the respective terms thereof.

The Company will provide further details regarding the Share Consolidation as soon as they become available. Completion of the Share Consolidation remains subject to the approval of the CSE.

About RDARS Inc.

RDARS possesses a disruptive technology that is advancing the security industry’s approach to protecting commercial, industrial, and residential properties, by introducing protection with autonomous artificial intelligence systems that allows for real time response, situation awareness, verification, intervention, evidence recording, data capture, analysis, and immediate downstream transmissions to public safety agencies. RDARS has the ability, upon a property security breach, in real time to receive, analyze, and downstream the data and inform public safety agencies who the perpetrators potentially are before they even arrive at the property.

Founded in 2019, RDARS is an originator in its innovative equipment manufacturer of its flagship product, the Eagle Watch Platform comprising of Eagle Eye, a drone, Eagle Nest, a drone station, Eagle Rover, an indoor robotic system, and Eagle Watch Command & Control Software. The Company’s autonomous robotic systems provide situational awareness in a cost effective and reliable manner. The Company’s mission is to improve alarm response and situational awareness by obtaining required approvals from federal regulatory agencies for BVLOS operations. RDARS is currently developing its technology for private and enterprise customers in the United States and Canada, where these customers require a more reliable and advanced understanding of their property security. For more information about RDARS, please visit its website at www.rdars.com and its profile page on SEDAR at www.sedar.com.

Cautionary Statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance of the Company. The use of any of the words “could”, “intend”, “expect”, “believe”, “will”, “may”, “projected”, “estimated” and similar expressions, and negatives thereto, and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company’s current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this press release contains forward looking information relating to the Company completing the Share Consolidation and the timing thereof. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the parties. The material factors and assumptions include the Company completing the Share Consolidation and receiving all necessary regulatory and stock exchange approvals to complete the Consolidation. Forward-looking information necessarily involve known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Such risks and factors include, but are not limited to, risk that the Company may not complete the Share Consolidation and may not receive all applicable regulatory and stock exchange approvals. The forward-looking information contained in this release is made as of the date hereof and the parties are not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

For further information, please contact:

RDARS Inc.

Charles Zwebner

Chief Executive Officer

T: (786) 564-5602

E: charles.zwebner@rdars.com