

51-102F3
MATERIAL CHANGE REPORT [F]

Item 1 Name and Address of Company

FintechWerx International Software Services Inc. (the “Company”)
1275 W. 6th Avenue, Suite 315
Vancouver, BC V6H 1A6

Item 2 Date of Material Change

October 2, 2024

Item 3 News Release

The news release dated October 3, 2024 was issued by TheNewswire on October 3, 2024 and Stockwatch on October 4, 2024.

Item 4 Summary of Material Change

On October 3, 2024, the Company announced that, further to its News Release of September 24, 2024, it has issued an aggregate of 500,000 common shares (each, a “Share”) of the Company at a deemed price of \$0.05 per Share to certain creditors in settlement of an aggregate of \$25,000 (the “Debt”) of indebtedness (the “Debt Settlements”).

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On October 3, 2024, the Company announced that, further to its news release of September 24, 2024, it has issued an aggregate of 500,000 Shares at a deemed price of \$0.05 per Share to certain creditors in settlement of the Debt.

All securities proposed to be issued in connection with the Debt Settlements are subject to a statutory hold period of four months and one day from the date of issuance.

The Debt is comprised of \$15,000 owed to companies wholly-owned by Francisco Kent Carasquero, the Company’s Executive Chairman and a Director, and George Hofsink, the Company’s Chief Executive Officer and a Director, and \$10,000 owed to Nafees Khan, the President and a Director of the Company (together, the “Related Parties”). Accordingly, each of the Debt Settlements constitute a “related party transaction”, as such term is defined in Multilateral Instrument 61-101 – Protection of Minority Shareholders in Special Transactions (“MI 61-101”). The Transaction is exempt from the valuation requirement of MI 61-101 by virtue of the exemptions contained in section 5.5(b) of MI 61-101 as the Shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(1)(a) of MI 61-101 in that the fair market value of the Debt Settlements will not exceed 25% of the Company’s market capitalization. The Company did not file a material change report more than 21 days before the anticipated closing date as the terms of the Debt Settlements were not finalized until immediately prior to the execution of the respective debt settlement agreements, and the Company wished to close the Debt Settlements on an expedited basis for sound business reasons.

MI 61-101 Requirements

Auscan Strategies Ltd. (“Auscan”), a company wholly owned by George Hofsink, the Chief Executive Officer and a director of the Company, was issued 200,000 Shares in settlement of \$10,000 owing by the

Company to Auscan. Stanlark Ventures Inc. (“**Stanlark**”), a company wholly owned by Francisco Kent Carasquero, the Executive Chairman, interim Chief Financial Officer, interim Secretary and a director of the Company, was issued 100,000 Shares in settlement of \$5,000 owing by the Company to Stanlark. Nafees Khan, the President and a director of the Company was issued 200,000 Shares in settlement of \$10,000 owing by the Company to Mr. Khan. As such, the Debt Settlements are “related-party transactions” as such term is defined in MI 61-101.

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 for a description of the Debt Settlements.

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

The purpose of the Debt Settlements is to reduce the Company’s liabilities while preserving its cash.

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

The Company does not anticipate any material effect on the Company’s business and affairs.

(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:*

Auscan was issued 200,000 Shares in settlement of \$10,000 owed by the Company to Auscan.

Stanlark was issued 100,000 Shares in settlement of \$5,000 owed by the Company to Stanlark.

Mr. Khan was issued 200,000 Shares in settlement of \$10,000 owed by the Company to Mr. Khan.

(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:*

The following table sets out the effect of the Debt Settlements on the percentage of securities of the Company beneficially owned or controlled by each of the Creditors:

Name and Position	Dollar Amount of Shares	Number of Securities	No. of Securities Held prior to the Issuance	Percentage of Issued and Outstanding Securities prior to the Issuance	No. of Securities Held After the Issuance	Percentage of Issued and Outstanding Securities After the Issuance
George Hofsink Chief Executive Officer and Director	\$10,000	200,000 Shares	Undiluted: 187,500 ⁽¹⁾ Diluted: 247,500 ⁽²⁾	Undiluted: 4.94% ⁽³⁾ Diluted: 6.42% ⁽⁴⁾	Undiluted: 387,500 ⁽¹⁾ Diluted: 447,500 ⁽⁵⁾	Undiluted: 9.03% ⁽⁶⁾ Diluted: 10.28% ⁽⁷⁾

Francisco Kent Carasquero Executive Chairman, Interim Chief Financial Officer, interim Secretary and Director	\$5,000	100,000 Shares	Undiluted: 687,510 ⁽⁸⁾ Diluted: 747,510 ⁽⁹⁾	Undiluted: 18.12% ⁽³⁾ Diluted: 19.39% ⁽⁴⁾	Undiluted: 787,510 ⁽¹⁰⁾ Diluted: 847,510 ⁽¹¹⁾	Undiluted: 18.34% ⁽⁶⁾ Diluted: 19.46% ⁽⁷⁾
Nafees Khan President and Director	\$10,000	200,000 Shares	Undiluted: 190,000 ⁽¹²⁾ Diluted: 310,000 ⁽¹³⁾	Undiluted: 5.01% ⁽³⁾ Diluted: 7.92% ⁽¹⁴⁾	Undiluted: 390,000 ⁽¹⁵⁾ Diluted: 510,000 ⁽¹⁶⁾	Undiluted: 9.08% ⁽⁶⁾ Diluted: 11.55% ⁽¹⁷⁾

- (1) These Shares are held indirectly by Auscan.
- (2) Comprised of: (a) 187,500 Shares held indirectly by Auscan; and (b) 60,000 Shares held indirectly by Auscan that may be issuable on exercise of share purchase warrants. 52,500 are exercisable at a price of \$1.00 per Share until April 26, 2028, and 7,500 are exercisable at a price of \$1.20 until June 22, 2028.
- (3) Based on 3,795,410 Shares outstanding prior to the Debt Settlements.
- (4) Based on 3,855,410 Shares comprised of: (a) 3,795,410 Shares outstanding prior to the Debt Settlements; and (b) 60,000 Shares that may be issued on exercise share purchase warrants.
- (5) Comprised of: (a) 387,500 Shares held indirectly by Auscan; and (b) all of the convertible securities of the Company set out in footnote (2).
- (6) Based on 4,295,410 Shares outstanding after the completion of the Debt Settlements.
- (7) Based on 4,355,410 Shares comprised of: (a) 4,295,410 Shares outstanding after the Debt Settlements; and (b) 60,000 Shares that may be issued on exercise of share purchase warrants.
- (8) 500,010 of these Shares are held indirectly by Looking Glass Media Limited (“**Looking Glass**”) and 187,500 Shares are held indirectly by Stanlark.
- (9) Comprised of: (a) 500,010 Shares held indirectly by Looking Glass; (b) 187,500 Shares held indirectly by Stanlark; and (c) 60,000 Shares held indirectly by Stanlark that may be issuable on exercise of share purchase warrants. 52,500 are exercisable at a price of \$1.00 per Share until April 26, 2028 and 7,500 exercisable at a price of \$1.20 until June 22, 2028.
- (10) 500,010 of these Shares are held indirectly by Looking Glass and 287,500 Shares are held indirectly by Stanlark.
- (11) Comprised of: (a)) 500,010 Shares held indirectly by Looking Glass; (b) 187,500 Shares held indirectly by Stanlark and (c) all of the convertible securities of the Company set out in footnote (9).
- (12) These Shares are held indirectly by Edelweiss Solutions Ltd. (“**Edelweiss**”), a company wholly owned by Nafees Khan.
- (13) Comprised of: (a) 190,000 Shares held indirectly by Edelweiss; and (b) 120,000 Shares held indirectly by Edelweiss that may be issuable on exercise of share purchase warrants. 105,000 are exercisable at a price of \$1.00 per Share until April 26, 2028 and 15,000 are exercisable at a price of \$1.20 per Share until June 22, 2028.
- (14) Based on 3,915,410 Shares comprised of: (a) 3,795,410 Shares outstanding prior to the Debt Settlements; and (b) 120,000 Shares that may be issued on exercise share purchase warrants.
- (15) Comprised of: (a) 200,000 Shares held directly and (b) 190,000 Shares held indirectly by Edelweiss.
- (16) Comprised of: (a) 200,000 Shares held directly; (b) 190,000 Shares held indirectly by Edelweiss; and (c) all of the convertible securities of the Company set out in footnote (13).
- (17) Based on 4,415,410 Shares comprised of: (a) 4,295,410 Shares outstanding after the Debt Settlements; and (b) 120,000 Shares that may be issued on exercise of share purchase warrants.
- (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 board of directors approved the Debt Settlements, with each of the directors abstaining from voting on their respective Debt Settlement. A special committee was not established in connection with the approval of the Debt Settlements, and no materially contrary view or abstention was expressed or made by any director.

- (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 related 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 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:*

The Company entered into a debt settlement and subscription agreement dated September 24, 2024 with Auscan, whereby the Company agreed to issue 200,000 Shares to Auscan in settlement of \$10,000 of Debt.

The Company entered into a debt settlement and subscription agreement dated September 24, 2024 with Stanlark, whereby the Company agreed to issue 100,000 Shares to Stanlark in settlement of \$5,000 of Debt.

The Company entered into a debt settlement and subscription agreement dated September 24, 2024 with Nafees Khan, whereby the Company agreed to issue 200,000 Shares to Nafees Khan in settlement of \$10,000 of Debt.

- (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 Debt Settlements are exempt from the valuation requirement of MI 61-101 by virtue of the exemptions contained in section 5.5(b) of MI 61-101 as the Shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(1)(a) of MI 61-101 in that the fair market value of the Debt Settlements will not exceed 25% of the Company's market capitalization. The Company did not file a material change report more than 21 days before the anticipated closing date as the terms of the Debt Settlements were not finalized until immediately prior to the execution of the respective debt settlement agreements, and the Company wished to close the Debt Settlements on an expedited basis for sound business reasons.

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

None

Item 8 Executive Officer

Francisco Kent Carasquero, CFO, 778.652.3669

Item 9 Date of Report

October 10, 2024