

FORM 51-102F3

Material Change Report

UNDER SECTION 7.1 OF NATIONAL INSTRUMENT 51-102

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

Rektron Group Inc.

Suite 406, 5307 Victoria Drive
Vancouver, BC, V5P 3V6
(the "**Company**")

2. **Date of Material Change:**

August 23, 2024

3. **News Release:**

A news release was disseminated on August 26, 2024 and was subsequently filed on SEDAR+.

4. **Summary of Material Change:**

The Company has completed its initial public offering (the "**IPO**") of 3,333,334 Units (the "**Units**") at a price of USD\$1.50 per Unit (the "**Offering Price**") for aggregate gross proceeds of USD\$5,000,001 (the "**Offering**"). The Offering was led by Research Capital Corporation, as the sole agent and sole bookrunner (the "**Agent**").

Each Unit consists of one common share of the Company (a "**Common Share**") and one common share purchase warrant of the Company (a "**Warrant**"). Each Warrant is exercisable to acquire one Common Share (a "**Warrant Share**") at an exercise price of US\$2.25 per Warrant Share at any time until August 23, 2027.

The Common Shares issued pursuant to the Offering has commenced trading today, August 26, 2024 on the Canadian Securities Exchange (the "**Exchange**") under the symbol "REK.U".

The Company will use the net proceeds of the Offering for scaling up the Company's trading activities, the costs related to the Offering including selling commissions and other fees, and for working capital requirements and other general corporate purposes.

The Agent retains an option for up to 30 days following August 23, 2024 to purchase up to an additional 500,000 Units (in addition to the 3,333,334 Units already purchased) at the Offering Price (the "**Over-Allotment Option**").

The Agent has been paid a cash commission equal to 7.0% of the gross proceeds from the sale of the Units pursuant to the Offering (reduced to 3.5% on the proceeds from the sale to the President's List), together with a cash corporate finance fee of \$75,000 (plus applicable tax). Additionally, the Company has granted compensation options to the Agent entitling the Agent to purchase up to 163,116 Units at the Offering Price, exercisable on or before August 23, 2027. Each Unit is exercisable under the same terms as the Units issuable pursuant to the Offering.

The Offering was completed pursuant to a final prospectus dated March 4, 2024, as amended on June 28, 2024 and August 12, 2024 (the "**Final Prospectus**"). The Final Prospectus is available

under the Company's profile on SEDAR+ at www.sedarplus.ca.

The Company also will file early warning reports regarding its two significant shareholders, Callan Partners Limited and Nile Flow Limited as their ownership was diluted as a result of the IPO.

5. **Full Description of Material Change:**

See attached news release.

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

Not applicable.

7. **Omitted Information:**

Not applicable.

8. **Executive Officer:**

Manny Bettencourt, CFO, Corporate Secretary and Director

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W: www.rektroungroup.com

9. **Date of Report:**

August 26, 2024



REKTRON COMPLETES US\$5 MILLION INITIAL PUBLIC OFFERING, AND ANNOUNCES LISTING ON THE CSE

NOT FOR DISTRIBUTION IN THE UNITED STATES OR DISSEMINATION IN THE UNITED STATES

VANCOUVER, BC, August 26, 2024— Rektron Group Inc. (“**Rektron**” or the “**Company**”) is pleased to announce the closing of its initial public offering (the “**Offering**”). Pursuant to the Offering, the Company issued 3,333,334 units of the Company (the “**Units**”) at a price of US\$1.50 per Unit (the “**Offering Price**”) for aggregate gross proceeds to the Company of US\$5,000,001. The Offering was led by Research Capital Corporation, as the sole agent and sole bookrunner (the “**Agent**”).

Each Unit consists of one common share of the Company (a “**Common Share**”) and one common share purchase warrant of the Company (a “**Warrant**”). Each Warrant is exercisable to acquire one Common Share (a “**Warrant Share**”) at an exercise price of US\$2.25 per Warrant Share at any time until August 23, 2027.

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The Offering was completed pursuant to a final prospectus dated March 4, 2024, as amended on June 28, 2024 and August 12, 2024 (the “**Final Prospectus**”). The Final Prospectus is available under the Company’s profile on SEDAR+ at www.sedarplus.ca.

The offered securities have not been and will not be registered under the United States

Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any applicable state securities laws and may not be offered or sold in the United States or to “U.S. persons”, as such term is defined in Regulation S under the U.S. Securities Act, absent such registration or an applicable exemption from such registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy the offered securities in any jurisdiction.

Early Warning Reports

The Company also announces the filing of early warning reports in connection with the IPO.

Prior to the IPO, Callan Partners Limited, a significant shareholder of the Company owned directly 33,376,077 Shares, representing 43.48% of the issued and outstanding Common Shares of the Company on a non-diluted basis. As a result of the closing of the IPO, Callan Partners Limited effectively surrendered 9,450,000 Common Shares, per its share surrender agreements. The Common Shares held by Callan Partners Limited now represent 40.49% of the issued and outstanding Common Shares of the Company on a non-diluted basis.

Moreover, prior to the IPO, Nile Flow Limited, a significant shareholder of the Company owned directly 40,792,983 Common Shares, representing 53.14% of the issued and outstanding Common Shares of the Company on a non-diluted basis. As a result of the closing of the IPO, Nile Flow Limited effectively surrendered 11,550,000 Common Shares, per its share surrender agreements. The Common Shares held by Nile Flow Limited now represent 49.48% of the issued and outstanding Common Shares of the Company on a non-diluted basis.

The Company is located at Suite 406, 5307 Victoria Drive, Vancouver, BC, V5P 3V6.

The early warning reports will be filed with the applicable securities commissions using the System for Electronic Document Analysis and Retrieval (SEDAR+) and will be available for viewing on the Company’s profile at www.sedarplus.ca.

On Behalf of the Board of Directors, Rektron Group Inc.

Ricardo Phielix
Chief Executive Officer

FOR FURTHER INFORMATION CONTACT:

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Phone: +1 (289) 482-0744
Web: <https://www.rektrongroup.com/>

About the Company

The Company is the holding and parent company of Rektron AQ Limited, which is the holding

and parent company of DL Hudson Limited. DL Hudson Limited is the trading arm of a group of companies, of which there are several subsidiaries that support the group's global commodity trading operations. The Company is headquartered in Vancouver, BC, while Rektron AQ Limited is headquartered in London, UK.

The Company focuses on maintaining an experienced team of management and traders, extensive geographical and product diversification, trading and logistical expertise, and financial and risk management. The team at the Group is composed of energy and metals traders, City of London and Wall Street bankers. The trading expertise includes principal energy and metals products, particularly ferrous and nonferrous metals, Energy Transition Commodities ("ETC"), recycled metals and crude and Euro VI-compliant refined oil products. The Company transacts across all compliant markets following the international trade regulations and guidelines.

FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information within the meaning of Canadian securities legislation (collectively, "**forward-looking statements**") that relate to Rektron's current expectations and views of future events. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "expects", "will continue", "is anticipated", "anticipates", "believes", "estimated", "intends", "plans", "forecast", "projection", "strategy", "objective" and "outlook") are not historical facts and may be forward-looking statements and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this news release should not be unduly relied upon. These statements speak only as of the date of this news release.

Forward-looking statements are based on a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond Rektron's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking statements. Such risks and uncertainties include, but are not limited to, the impact and progression of the COVID-19 pandemic and other factors set forth under "Caution Regarding Forward-Looking Statements" and "*Risk Factors*" in the Company's Final Prospectus. Rektron undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. New factors emerge from time to time, and it is not possible for Rektron to predict all of them, or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Any forward-looking statements contained in this news release are expressly qualified in their entirety by this cautionary statement.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The Units, the Common Shares and the Warrants comprising the Units, and the Warrant Shares issuable upon exercise of the Warrants, have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Accordingly, the Units may not be offered or sold within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities of Rektron in any jurisdiction in which such offer, solicitation or sale would be unlawful.