

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

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

Crown Capital Partners Inc. (the "Corporation")
700 - 2nd Street SW
Suite 19-131
Calgary, Alberta
T2P 2W2

2. **Date of Material Change:**

June 30, 2025

3. **News Release:**

The Corporation issued a press release regarding the material change on June 30, 2025, a copy of which is attached hereto.

4. **Summary of Material Change:**

On June 30, 2025, the Corporation announced that it had completed a non-brokered private placement offering of \$1,400,000 principal amount of 10% convertible redeemable secured subordinated debentures of the Corporation due December 31, 2026 (the "Convertible Insider Debentures") and \$100,000 principal amount of 10% non-convertible redeemable secured subordinated debentures of the Corporation due June 30, 2026 to insiders of the Corporation (the "Non-Convertible Insider Debentures") (collectively, the "Offering"). Pursuant to the Offering, the following insiders (or a related party) were issued the following:

Name of Insider	Type of Insider Debenture	Principal Amount
Christopher Johnson	Convertible Insider Debentures	\$150,000
Charles Frischer	Convertible Insider Debentures	\$575,000
John Brussa	Convertible Insider Debentures	\$575,000
Alan Rowe	Convertible Insider Debentures	\$100,000
Robert Gillis	Non-Convertible Insider Debentures	\$50,000
Steven Sharpe	Non-Convertible Insider Debentures	\$50,000
TOTAL		\$1,500,000

On June 30, 2025, the Corporation also announced that it had completed the issuance of 305,186 common shares of the Corporation ("Shares") to certain insiders of the Corporation at a deemed price of \$1.10 per Share in lieu of compensation owed to such insiders by the Corporation (the "Settlement Share Issuance" and together with the Offering, the "Transactions"). Pursuant to the Settlement Share Issuance, the following insiders (or a related party) were issued the following number of Shares:

Name of Insider	Number of Shares
Christopher Johnson	132,000
Charles Frischer	14,584
John Brussa	56,616
Alan Rowe	101,986
TOTAL	305,186

Upon the completion of the Transactions and upon the full conversion of the all of the Convertible Insider Debentures into 1,400,000 Shares, the maximum number of Shares issuable at the lowest

conversion price of \$1.00 per Share, the following insiders would have beneficial ownership of, or control and/or direction over the following number and percentage of Shares:

Name of Insider	Number of Common Shares	Percentage of Common Shares⁽¹⁾
Christopher Johnson	1,042,113	14.12%
Charles Frischer	1,237,984	16.77%
John Brussa	948,616	12.85%
Alan Rowe	290,074	3.93%

Note:

(1)

Assumes 7,377,832 Shares will be issued and outstanding after the full conversion of all of the Convertible Insider Debentures at \$1.00 per Share. As of the date hereof, there are 5,977,832 Shares issued and outstanding.

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

See the press release dated June 30, 2025 attached as Schedule "A" hereto.

6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:**

Not Applicable.

7. **Omitted Information:**

Not Applicable.

8. **Executive Officer:**

Christopher Johnson
President & CEO
chris.johnson@crowncapital.ca
(416) 640-6715

9. **Date of Report**

July 9, 2025

SCHEDULE "A"

PRESS RELEASE



Crown Capital Announces Closing of Private Placement Offering of Debentures to Insiders and Issuance of Shares to Insiders in Lieu of Cash Compensation

CALGARY, ALBERTA, June 30, 2025 – Crown Capital Partners Inc. (“Crown” or the “Corporation”) (TSX: CRWN) today announces it has completed a non-brokered private placement offering (the “Offering”) of: (a) \$1,400,000 principal amount of 10% convertible redeemable secured subordinated debentures of the Corporation due December 31, 2026 (each a “Insider Convertible Debenture”); and (b) \$100,000 principal amount of 10% convertible redeemable secured subordinated debentures of the Corporation due June 30, 2026 (each a “Insider Non-Convertible Debenture” and together with the Convertible Insider Debentures, the “Insider Debentures”) to insiders of the Corporation (“Insider Debentureholders”).

On December 29, 2023, the Corporation issued \$1,500,000 principal amount of 10% redeemable secured subordinated debentures of the Corporation (the “Former Insider Debentures”) to the Insider Debentureholders which were due and payable on June 30, 2025.

The Corporation was not able to raise the funds required to repay the Former Insider Debentures from external sources on terms acceptable to the Corporation. In order to address the maturity of the Former Insider Debentures on June 30, 2025, the Corporation repaid the Former Insider Debentures on maturity and then immediately issued the Insider Debentures.

The Insider Debentures bear interest at a rate of 10% per annum from the date of issue, payable in arrears semi-annually on June 30 and December 31 of each year, commencing on December 31, 2025.

The principal amount of each Insider Debenture, plus all accrued and unpaid interest thereon are redeemable by the Corporation, without penalty, upon 30 days prior written notice to the Insider Debentureholders for a cash amount equal to the principal amount of the Insider Debentures plus any accrued and unpaid interest. Prior to redemption, the Insider Debentureholders that hold Insider Convertible Debentures will have the option to convert any Insider Convertible Debentures, excluding any accrued and unpaid interest that is payable in cash, at the applicable conversion price. The redemption of the Insider Debentures may not be satisfied by the Corporation issuing common shares of the Corporation (“Common Shares”).

The Insider Debentures have been granted a security interest by the Corporation by way of a charge to and in favor of the Insider Debentureholders on all the Corporation’s property and assets, subject only to permitted encumbrances. The security for the Insider Debentures ranks subordinate to the senior indebtedness of the Corporation but senior to the 11% secured subordinated debentures of the Corporation due December 31, 2026 that are listed on the TSX under the trading

symbol “CRWN.NT”. The security for the Non-Convertible Insider Debentures ranks senior to the Insider Convertible Debentures.

In connection with the Offering, the Corporation and its subsidiaries entered into an amending agreement to the credit agreement with its senior lender, Sandton Investments IX (Luxembourg) S.A.R.L. dated December 18, 2024.

Commencing on June 30, 2026, the Convertible Insider Debentures, excluding any accrued and unpaid interest payable thereon, shall be convertible, at the option of the Insider Debentureholders, into Common Shares. The price at which the Convertible Insider Debentures may be converted into Common Shares will depend on when the Convertible Insider Debentures are converted. The different conversion prices of the Insider Convertible Debentures are set forth below:

Dates	Conversion Price
June 30, 2026 to July 30, 2026	\$2.50
July 31, 2026 to August 30, 2026	\$2.25
August 31, 2026 to September 29, 2026	\$2.00
September 30, 2026 to October 30, 2026	\$1.75
October 31, 2026 to November 29, 2026	\$1.50
November 30, 2026 to December 30, 2026	\$1.25
December 31, 2026	\$1.00

Each of the following Insider Debentureholders of the Corporation participated in the Offering directly or through corporations controlled by them or through persons related to them: John Brussa, Christopher Johnson, Alan Rowe, Steven Sharpe, C. Robert Gillis and Charles Frischer. These Insider Debentureholders purchased all of the Insider Debentures sold pursuant to the Offering (the “Insider Subscriptions”). The Insider Subscriptions are considered to be a “related party transaction” for the purposes of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”). In accordance with MI 61-101, the Corporation is not required to obtain a formal valuation in accordance with Section 5.5(c) of MI 61-101. The Corporation obtained minority shareholder approval for the Offering and the Insider Subscriptions in accordance with MI 61-101 at a meeting of shareholders held on June 26, 2025.

The Corporation also announces today that it has completed the issuance of 305,186 Common Shares to certain insiders of the Corporation at a deemed price of \$1.10 per Common Share in lieu of compensation owed to such insiders by the Corporation (the “Settlement Share Issuance”) as set forth in the management information circular of the Corporation dated May 23, 2025. The Settlement Share Issuance is considered to be a “related party transaction” for the purposes of MI 61-101. In accordance with MI 61-101, the Corporation is not required to obtain a formal valuation or minority approval of the Settlement Share Issuance in accordance with Section 5.5(c) and Section 5.7(1)(a) of MI 61-101, respectively.

In accordance with the company manual of the Toronto Stock Exchange, the Offering and Settlement Share Issuance required the approval of the disinterested shareholders of the Corporation. As previously announced by the Corporation on June 27, 2025, the issuance of the Insider Debentures and the Settlement Share Issuance were approved by the disinterested shareholders of the Corporation at the meeting of shareholders held on June 26, 2025.

All securities issued in connection with the Offering and the Settlement Share Issuance are subject to a hold period of four-months and one day in accordance with applicable securities laws.

The final closing of the Offering and the Settlement Share Issuance are each subject to receipt of all necessary approvals, including the approval of the Toronto Stock Exchange.

About Crown Capital Partners (TSX:CRWN)

Founded in 2000 within Crown Life Insurance Company, Crown Capital Partners is a capital partner to entrepreneurs and growth businesses mainly operating in the telecommunications infrastructure, distribution services, and distributed power markets. We focus on growth industries that require a specialized capital partner, and we aim to create long-term value by acting as both a direct investor in operating businesses serving these markets and as a manager of investment funds for institutional partners. For additional information, please visit crowncapital.ca.

FORWARD-LOOKING STATEMENTS

This news release contains certain “forward looking statements” and certain “forward looking information” as defined under applicable Canadian and U.S. securities laws. Forward-looking statements can generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology. Forward-looking statements in this news release include, but are not limited to, statements, management’s beliefs, expectations or intentions regarding the closing of the Offering and the use of the proceeds of the Offering. Forward-looking statements are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements are subject to various risks and uncertainties concerning the specific factors identified in the Crown’s periodic filings with Canadian securities regulators. See Crown’s most recent annual information form for a detailed discussion of the risk factors affecting Crown. Crown undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management’s best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

For further information, please contact:

Michael Overvelde
Chief Financial Officer
investor.relations@crowncapital.ca
(416) 640-6887