MARTELLO TECHNOLOGIES GROUP INC.

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED MARCH 31, 2019

DATED: July 26, 2019

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ANNUAL INFORMATION FORM

Unless otherwise specified, information in this AIF is presented as at March 31, 2019, being the last day of the most recently completed fiscal year of the Company.

FORWARD-LOOKING STATEMENTS

This AIF may contain forward-looking information within the meaning of applicable securities laws ("**forward-looking statements**"). Such forward-looking statements (if and when they are made) involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Martello, or developments in their respective business or industry, to differ materially from the expected results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements includes all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances and are effective only as of the date they are made. Often, but not always, forward-looking statements can be identified by the use of words or phrases such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", "believes", or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved.

Readers are cautioned not to place undue reliance on forward-looking statements if and when forward looking statements are made. Forward-looking statements relate to, among other things, realizing the value of Martello's assets, capitalizing on increasing market demand for Martello's products and executing Martello's strategic plan. The risks and uncertainties that may affect forward-looking statements include, among others, risks and uncertainties related to:

- The performance of the Company's business and operations;
- The intention to grow the business and operations of the Company;
- Future liquidity, financial capacity and availability of future financing opportunities;
- Economic conditions, including risks associated with foreign currency fluctuations;
- Customer acceptance of new products and competition;
- Operations in international markets;
- The Company's ability to respond to rapid technological changes with new products and services;
- The Company's ability to successfully source and integrate acquired companies;
- The return on investment from research & development investments;
- The Company's ability to protect and enforce its intellectual property, and risks of potential claims of intellectual property infringement by third parties;

- The Company’s product and service lifecycles;
- Effective management open-source software adoption and compliance risks;
- Cybersecurity and privacy risks;
- The ability of the Company’s products to operate effectively with those of its customers or their other suppliers; and
- The dependence of the Company’s business on Mitel Networks Corp. (“Mitel”), a key partner.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and, except as required pursuant to the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations*, the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change.

The section entitled “Risk Factors” discusses these and other risks, uncertainties and factors that Martello management believes could cause actual results or events to differ materially from the forward-looking statements. These factors and the other cautionary statements made in this AIF and the documents incorporated by reference should be read as being applicable to all related forward-looking statements and statements of “belief” wherever they appear in this AIF. Although the Company has attempted to identify the forward-looking statements, the underlying assumptions, and the risks, uncertainties and other factors that could cause actual results or events to differ materially from those expressed or implied in the forward-looking statements, there may be other factors that cause actual results or events to differ from those expressed or implied in the forward-looking statements.

Note Regarding Financial Information

Financial data included in this AIF has been prepared in accordance with IFRS. Unless otherwise stated, all dollar amounts in this AIF are expressed in Canadian dollars. References to “$” are to Canadian dollars and references to “US$” are to United States dollars. This AIF should be read in conjunction with the Company's management's discussion and analysis and audited consolidated financial statements and appended notes.

GLOSSARY

In this annual information form, the following terms shall have the meanings set forth below, unless otherwise indicated:

"**AIF**" means this Annual Information Form for the year ended March 31, 2019, dated July 26, 2019

"**BCBCA"** means the *Business Corporations Act*, SBC 2002, c. 57;

"**Board of Directors**" means the board of directors of the Company;

"**CBCA"** means the *Canada Business Corporations Act*, RSC 1985, c C-44;

"**Common Shares**" mean the issued and outstanding common shares in the capital of Martello;

"Computershare" means Computershare Trust Company of Canada, the transfer agent and registrar for the Common Shares;

"**Deloitte**" means Deloitte LLP,100 Queen Street Suite 1600, Ottawa, Ontario, K1P 5T8;

"**IFRS"** means international Financial Reporting Standards;

"**Insider**" if used in relation to an Issuer, means: a director or senior officer of the Issuer; a director or senior officer of the Company that is an insider or subsidiary of the Issuer; a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding Voting Shares of the Issuer; or the Issuer itself if it holds any of its own securities.

"**Martello Corp**" means Martello Technologies Corporation, a corporation existing under the CBCA;

"**Martello"** or **"Company"** or **"Issuer"** means Martello Technologies Group Inc., a corporation existing under the CBCA;

"MD&A" means management's discussion and analysis;

"**Option Plan**" means Martello's stock option plan originally adopted by the board of directors of Martello on October 16, 2003, and most recently ratified and confirmed by the Shareholders on October 18, 2018;

"**Options**" means stock options to acquire Common Shares issued under the Option Plan;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval and is located at www.sedar.com;

"**Shareholder**" means a holder of Common Shares of the Company; and

"**TSXV**" means the TSX Venture Exchange.

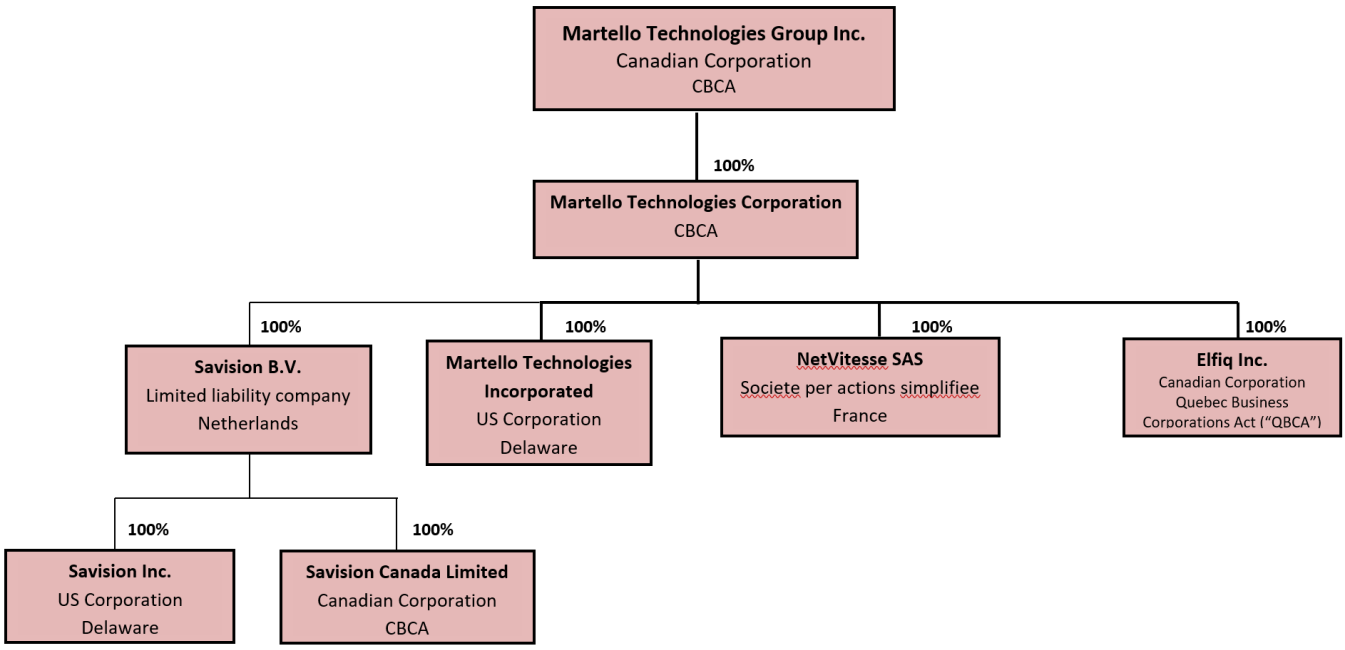
CORPORATE STRUCTURE

Martello is a Canadian technology company that is listed on the TSXV under the symbol “MTLO”. Prior to the date of its reverse acquisition by Martello Corp, the Company was known as Newcastle Energy Corp. and subsisted under the BCBCA. The Company was continued under the CBCA on September 10, 2018, and changed its name to Martello Technologies Group Inc. The Company has its registered and head office at 390 March Road, Suite 110, Ottawa, Ontario, Canada, K2K 0G7.

Intercorporate Relationships

The Company has seven wholly owned subsidiaries.

The following diagram illustrates the relationship among the Company and its subsidiaries:



GENERAL DEVELOPMENT OF THE BUSINESS

General Description of the Business

Through its wholly-owned subsidiaries, Martello is in the business of developing products and solutions that optimize the performance of real-time applications on cloud and enterprise networks, while giving IT teams and service providers control and visibility of their entire IT infrastructure from

a single pane of glass. Martello's products include SD-WAN technology, Unified Communications ("**UC**") performance analytics software, and IT Operations analytics software.

The Company's mission is to bring clarity and control to increasingly complex information and communications technology ("**ICT"**) environments, with solutions that empower organizations to efficiently operate their business-critical applications and enhance the end-user experience.

General Development of the Business through April 30, 2016

Martello Corp. was founded in 2009 and became the provider of UC performance analytics software to Mitel's channel of resellers, managed service providers, distributors and enterprise customers. Martello Corp had a 'land, expand and diversify' strategy in which it would develop business with the Mitel channel to create a strong platform from which to diversify its business through product development and acquisitions.

MarWatch, Martello Corp's UC performance analytics product, was developed in 2010, and initially offered secure remote access to customer devices and voice quality monitoring. Subsequent releases of the product deepened the offering to Mitel channel partners and customers with reporting, backups and alert management, in a cloud-hosted or on-premise offering. As the industry began to shift towards cloud-hosted unified communications, Martello Corp's solution evolved to manage the complexity of these network infrastructures for managed service providers. By 2014, MarWatch was deployed in more than 1,000 networks globally after being added to Mitel's Premium Software Assurance offering, and by 2015, Martello Corp's solution was extended to Mitel's service provider community to manage cloud complexity for better service quality. In April 2016, Mitel standardized all offerings of MarWatch under the product name 'Mitel Performance Analytics' or 'MPA', inside the Premium Software Assurance subscription. This accelerated the growth and attachment of Martello Corp's software inside the Mitel channel, driving triple digit revenue growth during this period.

Three Year History

Martello Corp changed its year end from April 30 to March 31 effective March 31, 2017.

Eleven months ended March 31, 2017

In the 2017 fiscal year, Martello Corp's focus was on expanding its business with Mitel, while also laying groundwork for the company to pursue a public listing and acquisitions in the future.

MPA R2.1 was launched in this period, which included support for MiVoice MX-ONE, a Mitel call platform used by large enterprises. Martello Corp saw growth globally in F2017 as a result, particularly in Austria, Italy, Sweden and the US. This release also marked the beginning of sales of a new tier of software assurance for the Mitel platform.

To prepare for a future public listing and acquisitions, Martello Corp focused efforts on its corporate governance and financial reporting. Martello Corp also began working with a merger and acquisition advisor to identify and target potential acquisitions.

Fiscal Year ended March 31, 2018

On December 15, 2017, Martello Corp acquired Elfiq Inc. ("**Elfiq**"), a Canadian Link Balancing / Software-Defined Wide-Area Network ("SD-WAN") player and industry pioneer. Elfiq is a Montreal-based company carrying on business as a provider of SD-WAN solutions that deliver business continuity, bandwidth optimization and network performance. Elfiq has been in the business of link-balancing and SD-WAN since 2003.

On December 18, 2017, Bruce Linton ceased to be President and CEO of Martello Corp and was appointed Co-Chair of Martello Corp's board of directors. John Proctor was appointed President and CEO of Martello Corp on December 18, 2017.

In January 2018, Martello Corp completed a private placement, generating proceeds of $750,000.

Fiscal Year ended March 31, 2019

On April 1, 2018, Paul Chatigny ceased to be CFO of Martello Corp. and Erin Crowe was appointed CFO, providing services through a management company. Ms. Crowe became an employee of Martello on January 1, 2019.

On June 4, 2018, Martello Corp. completed an unbrokered private placement, generating gross proceeds of $7,585,311 (net proceeds - $7,540,453).

On August 15, 2018, the Company completed a reverse acquisition (the "**Reverse Acquisition**") the details of which are outlined below under Significant Acquisitions.

In September 2018, Martello Corp signed an agreement to receive a contribution of up to $2 million from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP), to accelerate the development of a service-aware SD-WAN solution by Martello, including the hiring of 11 employees in Canada.

On November 1, 2018, Martello acquired Savision B.V. and its wholly owned subsidiaries ("**Savision**") for aggregate consideration of $10,643,992, payable in $3,628,083 cash and the issuance of 18,709,090 shares of the Company. Savision is Netherlands-based and was founded in 2006. Savision provides enterprise software for the visualization of IT systems management data and analytics such as performance metrics, outage information and incidents. Savision's software is an IT Operations Analytics 'Manager of Managers' solution that integrates and controls an organization's monitoring, cloud, and service management tools in a single pane of glass.

In conjunction with the acquisition of Savision, the Company closed a financing arrangement with the Royal Bank of Canada in November 2018, including a term loan of $3 million and a revolving facility which remains undrawn as of the date of this AIF.

On November 13, 2018, Michael Galvin and Jennifer Camelon were appointed to the Company's board of directors.

Effective December 21, 2018, co-founder and Vice-President of Product Management, Niall Gallagher, retired from employment with the Company. He remains on the Company's board of

directors. Rob Doucette, the former CTO of Savision, was appointed the Vice President of Product Management.

In January 2019, Martello signed an amendment to its agreement with Mitel. The terms of the agreement include expanding the coverage of Martello's software to additional Mitel communications platforms, extending the renewal term and increasing the fee per user received by Martello on certain Mitel offerings.

Significant Acquisitions

On August 15, 2018, the Company completed the Reverse Acquisition. The Reverse Acquisition proceeded by way of a "three-cornered" amalgamation among the Company, 10831794 Canada Inc. (a wholly owned subsidiary of the Company) and Martello Corp, which resulted in a reverse acquisition of the Company by the shareholders of Martello Corp. In connection with that amalgamation, the Company changed its name from Newcastle Energy Corp. to Martello Technologies Group Inc. and issued 3.2 Common Shares of the Company to the holders of shares of Martello Corp. in exchange for each common share of Martello Corp. All outstanding options and other convertible securities of Martello Corp were exchanged for 3.2 options and convertible securities of the Company, having the same economic terms. Following the Reverse Acquisition, the Company had a total of 171,883,976 Common Shares outstanding.

BUSINESS OF MARTELLO

Products and Services

Martello develops products and solutions that optimize the performance of real-time applications on cloud and enterprise networks, while giving IT teams and service providers control and visibility of their entire IT infrastructure from a single pane of glass.

Martello operates in three segments, being UC Performance Analytics Software, SD-WAN and Link-Balancing Hardware and Software, and IT Operations Analytics Software. Martello's product portfolio includes subscription-based offerings (software/hardware as a service), hardware product offerings (network appliances) and software license sales. Martello's sales are both indirect, via distributors and value-added resellers, and direct to enterprise. End users enter into an end-user licensing agreement with Martello before using Martello software or services

Below is a description of the products and services offered in each of the above three segments. Martello continues to integrate the technology and functionality it acquired from its business acquisitions into its product suite, with the goal of being able to provide clients with a range of products and services to enhance visibility and improve performance within their complex IT infrastructure.

UC Performance Analytics Software

Martello is the provider of UC performance analytics software to Mitel's channel. Martello and Mitel have entered into agreements regarding the use and resale of Martello software and services. Martello's end customers are Mitel's channel partners, service providers and enterprise users.

Martello’s software is called Mitel Performance Analytics (MPA) when sold in the Mitel channel.

Mitel Performance Analytics is software designed to monitor and manage the performance of Mitel unified communications systems. It monitors Mitel call platforms including MiVoice Business, MiVoice MX-ONE, MiVoice Connect, Mitel collaboration and contact center solutions, as well as third-party devices in the network infrastructure such as routers, switches and servers. MPA is designed to help IT teams and service providers to deliver more proactive support for Mitel UC systems. It monitors voice quality, availability and other key metrics around the clock, providing real-time alerts when problems are detected. In addition, MPA provides advanced UC testing and troubleshooting tools to resolve problems quickly, as well as advanced reporting on trunk and port usage for more efficient capacity planning.

Revenue from UC performance analytics software is primarily earned on a monthly per-user basis, and monthly fees are also collected for device usage and revenue is obtained from the subscription to or purchase of software licenses.

Revenue from sales of UC performance analytics software represents 57.3% of the Company’s revenue for the year ended March 31, 2019 (87.2% for the year ended March 31, 2018). The diversification in revenue in FY 2019 is due to the impact of the acquisitions of Elfiq and Savision.

SD-WAN and Link-balancing hardware and software

Through its acquisition of Elfiq, the Company has SD-WAN and link-balancing solutions that deliver business continuity, bandwidth optimization and improved network performance.

Martello's link balancing and SD-WAN solutions are designed to provide affordable, resilient and flexible WAN connectivity. The company's link balancing hardware appliances leverage several simultaneous connections (from any ISP) to provide seamless failover, increased throughput, link aggregation and smarter path selection. This results in better network performance and maximum uptime. Martello's SD-WAN solutions simplify network infrastructures without sacrificing performance or security, supporting multiple connection types and VPNs between sites to offer dynamic and flexible WAN connectivity. These solutions are designed at the Layer 2 level, which makes them better able to seamlessly drop into any existing network infrastructure.

Martello sells these solutions indirectly through resellers and distributers, to customers world-wide. Revenue is derived from the sales of network appliances and associated software, as well as maintenance and support revenue related to these sales.

Products include the software and hardware to build a hybrid WAN, as well as a range of hardware appliances for link balancing and SD-WAN. While traditional technology such as MPLS (Multiprotocol Label Switching) can be costly, Martello's technology allows customers to achieve a reliable and robust WAN infrastructure leveraging affordable internet bandwidth. This technology supports hybrid WAN infrastructures with a cloud connector that allows Martello’s bandwidth management technology and business continuity solutions to be deployed in physical, virtual and Cloud environments. To address demand for subscription-based, as a service offering, Martello’s ATLAS SD-WAN as a service delivers a modular, subscription-based SD-WAN solution.

Revenue from SD-WAN and link balancing represents 24.8% of the Company’s revenue for the year ended March 31, 2019 (12.8% for the year ended March 31, 2018, noting this includes revenue only from the acquisition date of December 15, 2017 to March 31, 2018).

IT Operations Analytics software

Through its acquisition of Savision B.V., the Company provides enterprise software for the visualization of IT systems management data and analytics, such as performance metrics, outage information and incidents. Savision's software is an IT Operations Analytics 'Manager of Managers' solution that integrates and controls an organization's monitoring, cloud, and service management tools in a single pane of glass.

Live Maps is an interactive data visualization software solution that seamlessly integrates with Microsoft System Center Operations Manager (SCOM). It allows IT teams to easily visualize the overwhelming amount of data in SCOM by using responsive and quick dashboards to help pinpoint the underlying cause of a problem and resolve the issue before it affects the business.

iQ is an IT Operations Analytics (ITOA) software solution that integrates and controls an organization's existing monitoring, cloud, and service management tools. It consolidates alert and availability data from multiple tools into a single pane of glass. This simplifies the support and management of an organization's IT infrastructure and reduces alert noise from multiple systems. iQ also delivers automated incidents and workflows, to automatically correlate alerts and create incidents for faster problem resolution.

Martello sells its IT Operations Analytics software directly to enterprise, and indirectly through resellers. Customers for the IT Operations Analytics software are located globally.

Revenue from IT Operations Analytics software represents 17.9% of the Company's revenue for the year ended March 31, 2019, noting this includes revenue only from the acquisition date of November 1, 2018 to March 31, 2019.

Distribution

The Company sources new clients, resellers and distributors through its sales force. Resellers and distributors identify end clients. The Company has a sales team covering the North American, EMEA and South American markets. The Company has a significant relationship with the Mitel channel for the sale of its UC performance analytics software.

Specialized Skill and Knowledge

The specialized technology skills and knowledge required for the maintenance and further research and development of the Company's software are critical to its success. Research and development for the Company's products is performed primarily in Ottawa, Ontario (Canada) and Montreal, Quebec (Canada), with additional development resources located in Amsterdam (Netherlands) and in Paris (France), and by one developer in the United States.

Competitive Conditions

UC Performance Analytics Software

Martello's agreement with Mitel is on a non-exclusive basis, however there are no other providers of UC-performance analytics software for Mitel's technology and significant barriers to entry exist. Martello's in-depth knowledge of how Mitel UC systems perform on cloud and enterprise networks have helped create a barrier to entry. This has been achieved as a result of nine years of in the field

deployments and ongoing feedback from users of Martello's software.

SD-WAN and Link-balancing hardware and software

Elfiq operates in a highly competitive market, WAN Edge Infrastructure, which Gartner estimates to represent a $1.1B market. The WAN Edge Infrastructure market is comprised of SD-WAN plus traditional branch routers. Elfiq competes in the SD-WAN market, which Gartner forecasts as having a compound annual growth rate of 37% in end-user spending from 2017 through 2022. This significant growth is fueled by the replacement of traditional branch routers with SD-WAN appliances, changes in traffic patterns resulting from the increasing use of cloud resources, and a desire to increase agility and automation in order to address the needs of digital business transformation.

Elfiq is particularly well suited for small-scale deployments (<50 sites) where the use of SD-WAN technology is targeted towards the specific purpose of improving the quality of real-time traffic, such as voice and video. Elfiq is also successful in delivering link balancing solutions to the hospitality industry.

IT Operations Analytics software

Savision operates in a highly competitive market, IT Operations Analytics (ITOA), which is a segment within the larger Cognitive Operations market. Research and Markets estimates the size of the Cognitive Operations market to be $7.27B, growing at compound annual growth rate of 24.4%. There is significant growth within the ITOA segment, especially as vendors transition into the Artificial Intelligence for IT Operations (AIOps) segment, by leveraging the use of Artificial Intelligence (AI) and Machine Learning (ML) to automate large portions of ITOA activities.

Savision is successful with medium- to large-enterprises as well as Managed Service Providers (MSPs), spanning all industries. Savision differs from the competition by providing a well-rounded offering of broad data source coverage in combination with a unique business service-oriented approach that aligns the needs of the business to the components and devices that are managed and monitored by IT.

Product Development Strategy

The Company has made and continues to make significant investments in its products to sustain its position as the sole provider of UC performance analytics software for Mitel's technology, and to both provide continuous improvements to its SD-WAN and link balancing technology, as well as enhancements to the IT Operations Analytics software. In addition, the Company has made and continues to make significant investments in developing integrated solutions, including a UC optimized SD-WAN solution, targeting mid-sized enterprises and service providers who require a simple and efficient means of managing the performance of UC systems on cloud and enterprise networks. As well, the Company is investing in its strategy to expand SD-WAN, link balancing and IT visualization markets in Application Performance Management by focusing on the networking challenges related to leading enterprise applications such as Microsoft Office 365, Teams and

Skype for Business.

Components

While the Company designs and develops its products internally, the component parts for its SD-WAN and link balancing hardware product are sourced from a third-party supplier in Taiwan. These components include generic hardware offering differing levels of support for network throughput. They are shipped from the supplier to the Company's office in Montreal, Canada. Martello's proprietary Elfiq Operating System (EOS) is loaded on the hardware and thoroughly tested before being shipped to the customer.

There are a number of manufacturers and suppliers that can produce these components and Martello's strategy is not dependent on any one supplier.

Intangible Properties

Through Martello's internal research and development and its acquisitions, the Company has continued to enhance the breadth of our intellectual property portfolio. Martello continues to rely primarily on a combination of patent and copyright laws, license agreements, non-disclosure agreements, employment agreements and other contractual provisions to establish, maintain and protect its proprietary rights in the Company's products and technology.

Martello uses a licensing entitlement management system to ensure that software and hardware are not providing unlicensed capabilities.

Martello seeks to avoid disclosure of its intellectual property and proprietary information and requires key employees to execute non-disclosure and assignment of intellectual property agreements. Software development conforms to industry standards for source code and version control. Access is restricted to specific Martello employees. All access and changes are logged.

All source-code is stored or backed-up off-site in secure cloud facilities.

Economic Dependence

As described in "Risk Factors" below, as a channel partner, Mitel accounted for 54% of the Company's revenue during the twelve months ended March 31, 2019. Martello and Mitel have entered into agreements regarding the use and resale of Martello software and services. In January 2019, the Company signed an amendment to its agreement with Mitel which extends the renewal term and expands the coverage of Martello's software to additional Mitel communications platforms.

The Company's revenue has continued to diversify over the last two fiscal years due to the acquisitions of Elfiq and Savision, and the percentage of revenue from the Mitel channel has decreased as a result.

Employees

As of March 31, 2019, Martello had 96 employees; 49 in Ottawa, Ontario; 22 in Montreal, Quebec; 17 in the Netherlands; 4 in the United States; and 4 in Paris, France.

Foreign Operations

The Company's head office and many of its shared services are centralized in Ottawa, Canada. The Company also has a Canadian office in Montréal, Québec. An office in Amsterdam, Netherlands provides a sales hub for Europe, as well as research and development and certain G&A functions for the Savision product line. An office in Paris, France provides research and development services.

Bankruptcy or Similar Procedures

There have not been any bankruptcy, receivership, or similar proceedings against the Company or any of its subsidiaries, or any voluntary bankruptcy, receivership, or similar proceedings by the Company or any of its subsidiaries, within the three most recently completed financial years, nor have there been any during or proposed for the current financial year.

Reorganizations

Other than the Reverse Acquisition described above, there have not been any material reorganizations of the Company or any of its subsidiaries within the three most recently completed financial years or completed during or proposed for the current financial year.

Social or Environmental Policies

The company has not implemented social or environmental policies that are fundamental to the Company's operations.

RISK FACTORS

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about now or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and results of operations may suffer significantly.

Competition

The industry in which the Company is positioned is rapidly evolving and the Company faces intense competition for its products and services. The adoption of public cloud, micro-services, containers and open source technologies has the potential to erode the Company's profitability. The competitive environment could result in loss of market share.

Customer acceptance of products and services

The Company's product development and marketing efforts are directed toward products and services that enable businesses to innovate. Success depends on customers' belief that there are technological, operational or cost benefits associated with Martello's products and services.

Risks inherent in acquisitions

The Company may acquire assets, products or businesses in the future that it believes will complement or augment its existing business. Risks associated with acquisition activity include inability to find or complete suitable acquisition deals at reasonable prices, disruption and diversion from the existing business, challenges of integration and retention of key personnel, unanticipated costs or liabilities associated with the new business, and inappropriate valuations of the acquired assets or business. These risks could have a material adverse impact on liquidity, capital resources and operations of the Company.

Dependence on Mitel Networks

As a channel partner, Mitel accounted for 44% and 54% of the Company's revenue during the three and twelve months ended March 31, 2019, respectively (65% and 83% for the three and twelve months ended March 31, 2018, respectively). Martello and Mitel have entered into agreements regarding the use and resale of Martello software and services. The current agreement was originally signed on April 21, 2017 for an initial term of one year with automatic annual renewals.

In January 2019, the Company signed an amendment to the agreement with Mitel. The terms are expected to be favorable to Martello's revenues, and include expanding the coverage of Martello's software to additional Mitel communications platforms, extending the term to provide products and services for an additional two years with automatic two year renewals thereafter, and increasing the fee per user that Martello receives on certain Mitel offerings.

Among other factors, if the relationship with Mitel changes, or if the Company is unable to provide suitable support for new or additional products and ongoing product updates or is unable to reach commercially agreeable pricing and other terms for support, or if Mitel business decreases, this could lead to a loss of a significant portion of the Company's business. This risk is mitigated by the Company's acquisition strategy, including the acquisition of Savision in November 2018.

Rapid Technological Change

The nature of Martello's industry is one of frequent new product introductions and evolving industry standards, which could cause the Company's hardware products and software solutions to become obsolete. The length of Martello's development cycle may impact its ability to react to new technology trends and customer needs.

Currency Fluctuations

A substantial portion of the Company's sales are denominated in foreign currencies. The Company is exposed to changes in foreign currency rates and this could negatively impact revenue and profitability.

Operating results may fluctuate significantly

There are many factors that influence the Company's operating results which are outside of its control. Past results should not be relied upon as an indication of future performance. Revenue and future operating results are difficult to predict even in the near term.

Other Risk Factors

Other risk factors relating to the Company's business are summarized as follows:

- The Company's success is dependent on its ability to hire, retain and motivate qualified people to develop the solutions and services that respond to technological developments and evolving customer needs, and to execute on product and business strategy.
- Failure to effectively manage product lifecycles, including transitioning customers from end of life products to new products, could result in customer dissatisfaction and impact the Company's operating results negatively.
- The Company may collect and store certain personal information about customers and is responsible for protecting such information from privacy breaches or theft. A privacy breach or theft of such data could have a material adverse effect on the Company's business and results of operations.
- There is no assurance that research and development efforts will produce revenue in the near-term, if at all.
- International operations will result in increased operational, regulatory, tax and other risks.
- The Company may need to raise additional capital in order to support the continued growth of the business. The interest of existing shareholders could be diluted, or restrictive covenants could be placed upon the Company by lenders. There is no assurance that sufficient capital will be available to fund future growth.
- The Company's success is dependent upon its ability to adapt its business model to keep pace with industry trends, and development of appropriate business and pricing models. Pricing changes by Martello's competitors may also require the Company to reduce prices.
- The Company's products are highly technical and complex and can contain errors or security vulnerabilities. These could harm Martello's reputation, lead to returns of products or services and possibly reduced future sales.
- The Company's success depends on the cooperation of its hardware and software vendors to ensure interoperability with the Company's products and to offer compatible products to end users.
- The Company relies on relationships with distributors, resellers, system vendors and systems integrators for a significant portion of its revenues. Disruptions to these channels could harm its business.
- The Company's investment tax credits from SRED have decreased and the timing of the application of the credits may be negatively affected due to the Reverse Acquisition.
- The Company's success and future growth depends in part upon its ability to protect its intellectual property. The Company relies on a combination of patents, copyrights, trademarks, trade secret laws, contractual agreements, licenses and other methods to protect its intellectual property. There is no assurance that such measures will protect the Company's intellectual property, and despite its efforts to protect its trade secrets and proprietary rights, unauthorized parties may still infringe its intellectual property.
- The Company's commercial success depends, in part, upon the Company not infringing intellectual property rights owned by others. A number of the Company's competitors and other third parties have been issued patents, may have filed patent applications, or may obtain additional patents and proprietary rights for technologies similar to those used by the Company in its products. Some of these patents may grant very broad protection to the owners of such patents. It cannot be determined with certainty whether any existing third-party patents, or the issuance of any third-party patents, would require the Company to alter its technology, obtain licenses or cease certain activities.

- The Company depends on its own IT systems and the IT systems of key SaaS providers to conduct a significant amount of its business operations. Breaches of the Company's cybersecurity systems or the systems of its vendors, partners or suppliers could seriously harm the business. Risks such as malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks may occur from inside or outside of the Company. It is increasingly difficult to identify and protect against these risks due to the rapidly evolving nature of the threats.
- Failure of the Company or its partners to comply with privacy policies, and privacy-related and data protection laws and regulations could result in proceedings and/or fines with adverse effect on the operating results and on the business.
- As the Company continues to develop its SaaS offerings, it will need to continue evolving processes to meet regulatory, intellectual property, open source software compliance and contractual and service compliance challenges. This requires significant investment and could affect operating results.
- The Company's SaaS offerings rely on third-party providers for data center space and colocation services. Should these services be disrupted, it could result in a loss of current and future business to the Company.

Martello's inability to achieve any of these objectives could harm the Company's business, financial condition and operating results.

DIVIDENDS AND DISTRIBUTIONS

As of the date hereof, the Company has not paid any dividends on its outstanding Common Shares and has no current intention to declare dividends on its Common Shares in the foreseeable future. Any decision to pay dividends on its Common Shares in the future will be at the discretion of the Company's board of directors and will depend on, among other things, the Company's results of operations, current and anticipated cash requirements and surplus, financial condition, any future contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the board of directors may deem relevant.

CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares. As at March 31, 2019, there were 191,237,568 Common Shares issued and outstanding. The holders of Common Shares are entitled to one vote per share at all meetings of the shareholders of the Company. The holders of Common Shares are also entitled to dividends, if and when declared by the board of directors of the Company, and are entitled to the distribution of the residual assets of the Company in the event of a liquidation, dissolution or winding up of the Company.

In addition, the Company has warrants outstanding to purchase up to an aggregate of 1,028,576 Common Shares.

The Option Plan of the Company is administered by the Board of Directors, which is responsible for establishing the exercise price (at not less than the Discounted Market Price as defined in the

policies of the TSXV) and the vesting and expiry provisions. As of March 31, 2019, there were 18,519,666 Common Shares issuable on the exercise of stock options.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares of the Company are listed and posted for trading on the TSXV. Prior to the Reverse Acquisition the Common Shares were trading on the NEX board of the TSXV under the symbol "NGY.H". The Common Shares of the Company were halted from trading effective April 11, 2018, upon announcement of the proposed Reverse Acquisition. The Common Shares resumed trading on September 12, 2018, under the symbol "MTLO", following completion of the Reverse Acquisition.

The following table sets forth the price range per share and trading volume for the Common Shares on the TSXV for each month of the 12-month period ending March 31, 2019:

Period	High Trading Price ($)	Low Trading Price ($)	Volume
April 2018	$0.185	$0.185	-
May 2018	$0.185	$0.185	-
June 2018	$0.185	$0.185	-
July 2018	$0.185	$0.185	-
August 2018	$0.185	$0.185	-
September 2018	$1.67	$0.38	119,290,887
October 2018	$0.65	$0.33	15,663,445
November 2018	$0.51	$0.33	7,395,024
December 2018	$0.35	$0.22	4,186,132
January 2019	$0.42	$0.25	5,483,836
February 2019	$0.40	$0.33	3,528,613
March 2019	$0.38	$0.27	5,253,224

Prior Sales

The following table summarizes the securities issued by Martello during the financial year ending March 31, 2019, that are not listed or quoted on a marketplace:

Date of Issuance	Price Per Security ($)	Number of Securities	Type of Security

August 16, 2018 [1]	$0.11	8,658,669	Options
August 16, 2018 [1]	$0.13	8,960,000	Options
August 16, 2018 [1]	$0.11	1,028,576	Warrants
January 18, 2019	$0.335	1,281,500	Options
February 28, 2019	$0.38	424,000	Options

(1) These securities were issued in connection with the Reverse Acquisition to holders of equivalent securities of Martello Corp. after giving effect to the Reverse Acquisition exchange ratio, as more fully described in the Company's Filing Statement dated June 29, 2018, available on SEDAR.

ESCROWED SECURITIES

The following table summarizes details of the Company's securities of each class held, to the Company's knowledge, in escrow or that are subject to a contractual restriction on transfer as of March 31, 2019:

Designation of Class	Number of securities held in escrow	Percentage of Class [1]
Common Shares	56,805,637 [2] [4] [5]	29.7%
Stock options	6,048,000 [3]	32.7%

Notes:

(1) Based on 191,237,568 Common Shares issued and outstanding and 18,519,666 Options outstanding as of March 31, 2019.

(2) In connection with the Reverse Acquisition, an aggregate of 44,922,079 Common Shares held by certain shareholders of the Company were deposited into escrow with Computershare Investor Services Inc. (the "**Escrow Agent**"), as escrow agent, pursuant to a Tier 2 Value Security Escrow Agreement (the "**RTO Value Security Escrow Agreement**"). Of the 37,435,065 Common Shares remaining in escrow under the RTO Value Security Escrow Agreement as of March 31, 2019, 7,487,014 shares will be released on each of the following dates: September 10, 2019, March 10, 2020, September 10, 2020, March 10, 2021, and 7,487,009 shares will be released on September 10, 2021, such that all Common Shares will be released from escrow as of September 10, 2021.

(3) In connection with the Reverse Acquisition, an aggregate of 7,257,600 Stock Options held by certain Directors and Officers of the Company were deposited into escrow with the Escrow Agent, under the RTO Value Security Escrow Agreement. Of the 6,048,000 Stock Options remaining in escrow under the RTO Value Security Escrow Agreement as of March 31, 2019, 1,209,600 Stock Options will be released on each of the following dates: September 10, 2019, March 10, 2020, September 10, 2020, March 10, 2021, and September 10, 2021, such that all Stock Options will be released from escrow as of September 10, 2021.

(4) In connection with the Reverse Acquisition transaction, an aggregate of 19,035,141 Common Shares held by certain shareholders of the Company were deposited into escrow with the Escrow Agent, pursuant to a Voluntary Pooling Agreement (the "**Voluntary Pooling Agreement**"). Of the 15,862,618 Common Shares remaining in escrow under the Voluntary Pooling Agreement as of March 31, 2019, 3,172,523 shares will be released on each of the following dates: September 10, 2019, March 10, 2020, September 10, 2020, March 10, 2021, and 3,172,526 shares will be released on September 10, 2021, such that all Common Shares will be released from escrow as of September 10, 2021.

(5) In connection with the Company's acquisition of Savision, an aggregate of 3,507,954 Common Shares

held by a shareholder of the Company were deposited into escrow with the Escrow Agent, pursuant to a Tier 2 Value Security Escrow Agreement (the "**Savision Value Security Escrow Agreement**"). Of the 3,507,954 Common Shares remaining in escrow under the Savision Value Security Escrow Agreement as of March 31, 2019, 584,659 shares will be released on each of the following dates: May 2, 2019, November 2, 2019, May 2, 2020, November 2, 2020, May 2, 2021, and November 2, 2021, such that all Common Shares will be released from escrow as of November 2, 2021.

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the current directors and executive officers of the Company, all positions and offices with the Company currently held by them, their principal occupations for the past five years and the number of Common Shares held as at March 31, 2019.

Name and Province/State and Country of Residence	Position(s) Currently Held with the Company	Period or periods during which each director has served as a director of the Company	Current Principal Occupation	Number of Common Shares Held
John Proctor *Ottawa, ON*	President and CEO	August 2018 - present	President and Chief Executive Officer of Martello.	Nil
Terence Matthews *Ottawa, ON*	Director, Co-Chair of Board	August 2018 - present	Founder and Chairman of Wesley Clover.	40,172,845
Bruce Linton *Ottawa, ON*	Director, Co-Chair of Board	August 2018 - present	Co-founder and co-CEO/Chairman of Canopy Growth until June 2019. CEO of Martello until December 2017.	3,062,858
Niall Gallagher *Ottawa, ON*	Director	August 2018 - present	A co-founder of Martello. Until December 2018, he was the VP Product Management of Martello.	4,184,231
Don Smith *Ottawa, ON*	Director Member of Compensation Committee	August 2018 - present	General Partner with Wesley Clover International Corporation.	Nil
Michael Michalyshyn *Ottawa, ON*	Director Chair of Compensation Committee Member of Audit Committee	August 2018 - present	Technology and intellectual property lawyer.	Nil
Colley Clarke *Waterloo, ON*	Director Chair of Audit	August 2018 - present	CPA, CA. CFO of Yroo.	Nil

	Committee			
Jennifer Camelon *Ottawa, ON*	Director Member of Audit Committee	November 2018 - present	CPA, CA. Senior Vice President Finance and Administration and Chief Financial Officer of the Royal Canadian Mint.	Nil
Michael Galvin *Sharnbrook, United Kingdom*	Director Member of Compensation Committee	November 2018 - present	Telecommunications industry leader with more than 32 years' experience in BT PLC.	Nil
Erin Crowe *Ottawa, ON*	Chief Financial Officer	N/A	Chief Financial Officer of Martello.	200,000
Doug Bellinger *Ottawa, ON*	Chief Technology Officer	N/A	Chief Technology Officer of Martello.	1,828,573
Christa Plumley *Toronto, ON*	Corporate Secretary	N/A	General Counsel at Wesley Clover International Corporation.	Nil

Audit Committee Members

- Colley Clarke (Chair)
- Jennifer Camelon
- Michael Michalyshyn

Compensation Committee Members

- Michael Michalyshyn (Chair)
- Michael Galvin
- Don Smith

As at March 31, 2019, the directors and executive officers of the Company, as a group, beneficially owned, or controlled or directed, directly or indirectly, 53,346,233 of the issued and outstanding, Common Shares representing approximately 28% of the total issued and outstanding shares of the Company.

Directors are elected each year at the annual meeting of shareholders of the Company to hold office until the close of the next annual meeting of shareholders of the Company or until their successors are duly elected or appointed.

The following sets out additional information with respect to the education, experience and employment history of each of the directors and officers referred to above.

Managing Directors

John Proctor, President and CEO

Mr. Proctor is the President and CEO of Martello. Prior to his work in the private sector, Mr. Proctor served for more than twenty years in the Canadian and British armed forces. Between 2011 and 2017, he held the position of Vice President, Global Cyber Security at CGI, where he was responsible for the company's strategic vision on Cyber Security. Mr. Proctor sits on the Information and Communications Technology Council (ICTC) advisory board for Government Affairs Canada and is a member of the Canadian Advanced Technology Alliance (CATA Alliance) Cyber Council Advisory Board.

Non-Management Directors

Niall Gallagher, Director

Mr. Gallagher is co-founder and a Director for Martello, and was formerly the Company's Vice President of Product Management. Mr. Gallagher has more than 30 years of experience in the telecommunications industry starting with Nortel Networks in 1981. He has held senior management positions in Nortel Networks in Canada and Hong Kong. He joined Mitel Networks in 2005 where he was responsible for Strategic Planning and Product Management for Mitel's Service Provider business. Mr. Gallagher holds a degree in Electrical Engineering from University College Dublin and an MBA from the University of Ottawa.

Dr. Terence H. Matthews, Co-Chairman

Sir Terence Matthews is the founder and Chairman of Wesley Clover, an investment vehicle and holding company. Dr. Matthews has either founded or funded over 80 companies since 1972 including Newbridge Networks, a company he founded in 1986 and which became a leader in the worldwide data networking industry. In 1972, before launching Newbridge, Dr. Matthews co-founded Mitel, a world leader in the design and manufacturing of enterprise communications solutions. Wesley Clover now has interests in a broad range of next-generation technology companies, real estate, hotels, and resorts.

Dr. Matthews is also Chairman or Director of several private and publicly traded companies.

Dr. Matthews holds an honours degree in electronics from the University of Wales and is a Fellow of the Institute of Electrical Engineers and of the Royal Academy of Engineering. In 1994, he was appointed an Officer of the Order of the British Empire, and in the 2001 Queen's Birthday Honours, he was awarded a Knighthood. In 2011, he was appointed Patron of the European Cancer Stem Cell Research Institute.

Bruce Linton, Co-Chairman

Mr. Linton was the CEO of Martello until December 2017. Mr. Linton has been a founder, CEO and board member at a wide variety of enterprises, including co-founder of Canopy Growth Corporation, and co-CEO and Chairman until June 2019. After beginning his career at Newbridge Networks

Corporation, he has held positions that include General Manager and Re-Founder of Computerland.ca, President and Co-Founder of webHancer Corp, and part of the establishing team at CrossKeys Systems Corporation.

Bruce has been responsible for the acquisition and/or disposition of more than a billion dollars in business assets. He was also part of the leadership team for the initial public offering at CrossKeys Systems Corporation.

Colley Clarke (CPA, CA), Director

Mr. Clarke has international experience in finance, capital markets, mergers and acquisitions, corporate strategy, investor relations, legal, and human resources. Mr. Clarkes' previous roles include Chief Financial Officer of Redknee Solutions Inc. from March 2004 to March 2009, and a Director of Redknee Solutions Inc. from November 2007 to March 2009. Mr. Clarke holds a Master of Business Administration (MBA) from the Ivey School of Business and is a Chartered Accountant with a CPA designation. In the last five years, Mr. Clarke has held the position of Managing Director of Jadeco Advisors Inc. In addition, between October 2016 and March 2017 he was CEO of BigRoad Inc, and from April 2017 to present has been CFO of Yroo Inc.

Michael Michalyshyn, Director

Mr. Michalyshyn is a seasoned technology lawyer with extensive in-house experience in the embedded software marketplace with QNX Software Systems and BlackBerry. He is currently the Principal of Michalyshyn Technology Law. Prior to this, he held positions as General Counsel and VP of HR for QNX Software Systems and General Counsel and Corporate Secretary of ViXS Systems Inc. He has also served as the head of BlackBerry's Technology Licensing group. Mr. Michalyshyn is a member of the Ontario Bar and was a registered Canadian patent agent. He holds a Bachelor's degree in Mechanical Engineering and a Master's in Business Administration.

Don Smith, Director

Mr. Smith, General Partner at Wesley Clover International Corporation, has held senior executive roles in the hi-tech industry and was recognized as "CEO of the Year" in 2010 by the Ottawa Business Journal and Telfer School of Management at Ottawa University. As CEO of Mitel from 2001 to 2011, Mr. Smith was responsible for the company's leadership in the emerging market for IP based business communications solutions and took the company public in 2010. Mr. Smith is a BSc. Engineering graduate of Imperial College, London.

Jennifer Camelon (CPA, CA), Director

Jennifer Camelon is a technology industry finance and business executive with experience leading global transformation and integration initiatives for organizations such as Blackberry, QNX and the Royal Canadian Mint. Currently the Senior Vice President Finance and Administration and Chief Financial Officer of the Royal Canadian Mint, Jennifer is a seasoned finance and business leader. Until 2015, she served as the Chief Financial Officer of QNX Software Systems, also leading the IT, operations and quality functions. Prior to QNX, Jennifer worked for Delta Hotels and Resorts as well as Price Waterhouse in both Toronto and Ottawa. She is a Chartered Professional Accountant (CPA, CA) and holds a Bachelor of Commerce (Honours) from Queen's University.

Mike Galvin, Director

Mike Galvin is a telecommunications industry leader with more than 32 years' experience in BT PLC, and has been responsible for the design, deployment and management of some of the largest broadband networks in the UK. A telecommunication engineer and specialist in broadband networks, he has 32 years of industry experience, working at board level, with governments and in leadership positions in technology, innovation and research.

Executive Officers

Erin Crowe (FCPA, FCA), CFO

Ms. Crowe has more than 20 years' experience in CFO and senior finance roles. Prior to Martello, Ms. Crowe held various CFO and COO roles, including CFO of Proslide Technology Inc., CFO and COO of the Regional Group of Companies and Executive VP and CFO of Senators Sports & Entertainment Inc. Ms. Crowe has received many accolades: the Ottawa Women's Business Network named her the 2009 Corporate Businesswoman of the Year and she was included in the Ottawa Business Journal's 40 Under 40 in 2010. She holds a degree in Commerce from Queen's University, as well as FCPA and FCA designations.

Doug Bellinger, Chief Technology Officer

Mr. Bellinger has over thirty years of experience in telecommunications networking, service and network management, and all aspects of software product development and life cycle management. At Martello, Mr. Bellinger is responsible for the company's technology strategy and for building its development team. Mr. Bellinger previously held positions at Nakina Systems, Atreus Systems, Solect Technology, CrossKeys Systems, CADLink Technology and Newbridge Networks. Prior to co-founding Atreus, Doug was a founding member of CrossKeys Systems Corporation, a network and service management company. Mr. Bellinger holds a B.A. Sc. (Honours, Applied Science in Electrical Engineering) from Queen's University in Kingston, Ontario.

Christa Plumley, Corporate Secretary

Ms. Plumley holds the position of General Counsel at Wesley Clover International Corporation where she focuses on corporate, commercial and intellectual property law, especially as it pertains to the commercialization of information technology. Christa provides advice relating to investment fund formation, technology development, licensing, reselling and distribution matters.

Ms. Plumley previously worked with a health sciences venture capital company where she handled various corporate/commercial legal work consisting primarily of issues surrounding investing in biotechnology and healthcare companies and investment fund formation work. Prior to that, Ms. Plumley practiced at two of Canada's "Seven Sister" law firms where she was involved in matters ranging from complex technology transactions to developing a knowledge-based information system for a firm of over 800 lawyers. Christa's broad exposure to the high technology environment has given her an inside view of the evolving industry.

Ms. Plumley is called to the Bar of Ontario and is a member of the Law Society of Ontario and the

Canadian Bar Association. She earned a Bachelor of Commerce degree with first class honours at Queen's University prior to obtaining an LLB at Osgoode Hall Law School.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

Except as described below, no directors or officer of the Company is, as at the date of this Annual Information Form, or has been, within 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company (including Martello) that was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation that was (i) in effect for a period of more than 30 consecutive days, (ii) issued while the director or executive officer was acting in that capacity, or (iii) issued after that person ceased to act in that capacity but which resulted from an event that occurred while that person was acting in that capacity.

On January 6, 2017 the Ontario Securities Commission issued a cease-trade order against Magor Corporation for failing to file interim financial statements for the period ended October 31, 2016; management's discussion and analysis relating to the interim financial statements for the period ended October 31, 2016; certification of the foregoing filings as required by National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings. Dr. Matthews sits on the board of Magor Corporation.

On April 5, 2011 and April 7, 2011, while Bruce Linton was a director of Sitebrand Inc. (**"Sitebrand")**, the Ontario Securities Commission and the British Columbia Securities Commision, respectively, issued cease trader orders (collectively, the **"Cease Trade Orders"**) to Sitebrand as a result of Sitebrand's failure to file on a timely basis its audited annual financial statements for the year end November 30, 2010 along with related management's discussion and analysis and applicable officer's certifications (the **"Annual Filings**"). The late filing of the Annual Filings was due to the previously announced bankruptcy of Sitebrand's operating subsidiary, Sitebrand.com Inc. and the related constraints on resources and uncertainty surrounding Sitebrand's strategic alternatives at that time. Subsequently, Sitebrand also failed to file on a timely basis its interim financial statements for the period ended February 28, 2011 along with related management's discussion and analysis and the applicable officer's certifications (the **"Interim Filings**"). Sitebrand filed its Annual Filings on June 3, 2011 and the Interim Filings on June 14, 2011. On August 5, 2011 and August 8, 2011, the Ontario Securities Commission and the British Columbia Securities Commission, respectively issued orders revoking the Cease Trade Orders. On November 17, 2011 Bruce Linton tendered his resignation as a director of Sitebrand.

Bankruptcies

Except as disclosed below, no director or executive officer of Martello or, to the knowledge of Martello, any shareholder holding a sufficient number of securities of Martello to affect materially the control of Martello:

(a) is, as of the date of this Annual Information Form, or has been within 10 years before the date of this Annual Information Form, a director or executive officer of any company (including Martello) that, while that person was acting in that capacity, or within a year of ceasing to act in that capacity, became bankrupt, made a proposal under any legislation

relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within 10 years before the date of this Annual Information Form, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

In December 2010, while Bruce Linton was a director of Sitebrand Inc., its wholly owned subsidiary, Sitebrand.com Inc., filed a Notice of Intention to make a proposal to its creditors and has obtained protection from its creditors under the provisions of the Bankruptcy and Insolvency Act and in February 2011 Sitebrand.com Inc. made an assignment in bankruptcy under the provisions of the Bankruptcy and Insolvency Act.

Dr. Matthews was a director of Magor Corporation when it filed a Notice of Intention to make a proposal under the *Bankruptcy and Insolvency Act* on November 30, 2016.

Penalties or Sanctions

Except as disclosed below, no director or executive officer of the Company or, to the knowledge of the Company, shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Mr. Clarke acted as CFO of The Descartes Systems Group Inc. ("**Descartes**") until March, 2004. On or about May 19, 2004, Descartes was named as a defendant in a securities class action lawsuit which was filed in the United States District Court for the Southern District of New York purportedly on behalf of purchasers of Descartes common stock between June 4, 2003 and May 6, 2004 (the "**Class Action**"). The complaint also named as defendants two of its former officers, including Mr. Clarke. The complaint alleged, among other things, that the defendants made misstatements to the investing public between June 4, 2003 and May 6, 2004 regarding its financial condition. On November 2, 2004, Descartes announced that it had reached an agreement-in-principle to settle the Class Action. Under the terms of the settlement-in-principle, a settlement fund was established in the total amount of $1.5 million, of which Descartes' insurance providers paid approximately $1.1 million and the balance was paid by Descartes.

Conflicts of Interest

The Company may from time to time become involved in transactions which conflict with the interests of its directors and the officers. The interests of these persons could conflict with those of the Company. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, in the event that such a conflict of interest arises at a meeting of our directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the Company.

See below under the heading "*Interests of Management and Others in Material Transactions*" for

ongoing transactions in which a director or officer of the Company has an interest.

AUDIT COMMITTEE INFORMATION

The following information is provided in accordance with Form 52-110F1 under National Instrument 52- 110 - *Audit Committees*. The full text of the Audit Committee's charter is attached as Appendix “A” to this AIF.

Composition of the Audit Committee

As of the date of this Annual Information Form, the Audit Committee is comprised of Colley Clarke (Chair), Michael Michalyshyn and Jennifer Camelon, all of whom are independent and financially literate within the meaning of NI 52-110. The relevant education and experience of each member of the Audit Committee is described as part of his or her respective biography above.

Each of the Audit Committee members has the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements.

Pre-Approval Policies and Procedures

The Company’s Audit Committee must pre-approve all non-audit services to be provided by Deloitte.

External Auditor Service Fees

The following table provides information about the fees for professional services rendered by Deloitte for the fiscal years ended March 31, 2019 and March 31, 2018:

Category of Fees	Year ended March 31, 2019	Year ended March 31, 2018
Audit fees [(1)]	$245,726	$151,672
Audit-related fees [(2)]	$89,393	$77,843
Tax fees [(3)]	$69,550	$26,429
All other fees [(4)]	$153,010	$17,317
TOTAL	$557,679	$273,261

(1) “Audit fees” refers to aggregate fees for professional services rendered for the audit of the Company’s annual consolidated financial statements and other audit services.

(2) “Audit-related fees” refers to the aggregate fees for assurance and related services that are reasonably related to the performance of the audit or review or the Company’s consolidated financial

statements and are not reported as “Audit fees”. The services provided were consultations on accounting and acquisition matters, and matters related to the Reverse Acquisition.

(3) “Tax fees” refers to the aggregate tax fees for tax compliance, advice, and planning.

(4) “All Other fees” refers to the aggregate fees for services provided by Deloitte, not reported as “Audit fees”, “Audit-related fees” or “Tax fees”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than those previously disclosed in this document, the Company is not aware of: (a) any legal proceedings to which it is a party, or by which any of its property is subject, which would be material to it and are not aware of any such proceedings being contemplated, (b) any penalties or sanctions imposed by a court relating to securities legislation, or other penalties or sanctions imposed by a court or regulatory body against it that would likely be considered important to a reasonable investor making an investment decision and (c) any settlement agreements that it has entered into before a court relating to securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no director or executive officer of the Company, nor any other Insider of the Company, nor any associate or affiliate of any one of them has or has had, at any time since March 31, 2019, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The Transfer Agent and Registrar for the Company’s Common Shares is Computershare Trust Company of Canada Inc., at 100 University Ave 11th Floor, South Tower, Toronto ON M5J 2Y1.

MATERIAL CONTRACTS

Martello has not entered into any contracts material to holders of Common Shares other than in the normal course of business operations, other than:

1. Amalgamation Agreement dated June 28, 2018, between the Company, Martello Corp. and 10831794 Canada Inc. in relation to the Reverse Acquisition, the particulars of which are described further above;
2. Contribution Agreement dated September 21, 2018 between Martello Corp and National Research Council of Canada Industrial Research Assistance Program providing for a contribution of up to $2,000,000 to the Company;
3. Share Purchase Agreement dated October 15, 2018, between Martello Corp. and Dennis Rietvink Holding B.V., Douwe van de Voort Holding B.V., AmsterdamPark Capital Partners Venture Fund B.V., Stefanie Richheimer Holding B.V., Diana Jeanette Krieger B.V., and Richard Belluzzo, and Addendum No. 1 thereto, providing for the acquisition of Savision, the particulars of which are described further above;
4. Credit Agreement dated October 19, 2018, between Royal Bank of Canada and Martello Corp. providing for the following facilities as at November 2, 2018: (i) a $1,000,000 revolving demand facility; (ii) a $3,000,000 non-revolving term facility by way of Fixed Rate Term

Loans; (iii) VISA business facility to a maximum amount of $200,000;

5. Advisory Services Agreement dated December 11, 2018 between Oak Hill Financial Inc. and Martello to provide investor relations services, with a monthly retainer of $10,000 renewed automatically each month until terminated by either party;
6. Market Support Agreement dated April 23, 2019 between INFOR Financial Inc. and Martello to perform general capital markets support services, including assisting in maintaining active and orderly trading in the market for Martello's securities, with a monthly fee of $5,000 until terminated by either party upon 30 days' written notice;
7. Amended and Restated Agreement for Purchase of Martello Services and Products dated April 21, 2017 between Martello and Mitel, to cover the use and resale of "Mitel Performance Analytics" (MPA) software and services and Amendment No. 1 thereto, the particulars of which are described further above; and
8. RTO Value Security Escrow Agreement, Savision Value Security Escrow Agreement, and Voluntary Pooling Agreement described above.

INTERESTS OF EXPERTS

Deloitte LLP is the external auditor of the Company and is independent in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.martellotech.com. Financial information for the Company is provided in the consolidated financial statements and management's discussion and analysis in respect of the fiscal year ended March 31, 2019. Additional information, including the remuneration and indebtedness of directors and executive officers of the Company, the principal holders of the Company's securities, Options to purchase the Company's securities, and the interests of Insiders in material transactions, where applicable, is contained in the Company's Information Circular for the annual meeting of shareholders held on October 18, 2018.

APPENDIX A
MARTELLO TECHNOLOGIES GROUP INC.
(the "Company")

AUDIT COMMITTEE CHARTER

PURPOSE OF THE COMMITTEE

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of the Company is to provide an open avenue of communication between management, the Company's independent auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
- the Company's compliance with legal and regulatory requirements related to financial reporting; and

- the independence and performance of the Company's independent auditor.

The Committee shall also perform any other activities consistent with this Charter, the Company's articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman from among their number. A majority of the members of the Committee must not be officers or employees of the Company or of an affiliate of the Company. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Company or of an affiliate of the Company. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee's role is one of oversight. Management is responsible for preparing the Company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards **("IFRS").** Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor's responsibility is to audit the Company's financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

The Committee is responsible for recommending to the Board the independent auditor to be nominated for the purpose of auditing the Company's financial statements, preparing or issuing an auditor ' s report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the independent auditor. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditor. The independent auditor shall report directly to the Committee.

AUTHORITY AND RESPONSIBILITIES

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.

2. Review the appointments of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.

3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.

4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.

5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.

6. Review the Company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.

7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the independent auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the independent auditor without the presence of management.

8. Review with management and the independent auditor significant related party transactions and potential conflicts of interest.

9. Pre-approve all non-audit services to be provided to the Company by the independent auditor.

10. Monitor the independence of the independent auditor by reviewing all relationships between the independent auditor and the Company and all non-audit work performed for the Company by the independent auditor.

11. Establish and review the Company's procedures for the:

- receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
- confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.

12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.

13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the Business Corporations Act (British Columbia) and the articles of the Company.