

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

Item 1. Name and Address of Company

Forward Water Technologies Corp.
1086 Modeland Road
Sarnia, Ontario N7S 6L2

Item 2. Date of Material Change

October 20, 2023

Item 3. News Releases

A press release in the form of Schedule "A" attached hereto was disseminated on October 23, 2023 via Accesswire news service and subsequently filed on the System for Electronic Document Analysis and Retrieval (www.sedarplus.ca)

Item 4. Summary of Material Change

Forward Water Technologies Corp. (TSXV:FWTC) (the "**Company**") announced the closing of its previously announced non-brokered private placement raising total gross proceeds of \$462,000 (the "**Offering**").

The Offering involved the issuance of 9,240,000 units at a price of \$0.05 per unit. Each unit was comprised of one (1) common share and one (1) common share purchase warrant. Each common share purchase warrant entitles the holder thereof to acquire one common share of the Company at a price of \$0.075 per share at any time on or before October 20, 2026.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

See Schedule "A" attached.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

The report is not being filed on a confidential basis.

Item 7. Omitted Information

No significant facts have been omitted from this report.

Item 8. Executive Officer

C. Howie Honeyman - Chief Executive Officer
howie.honeyman@forwardwater.com
(519) 333-5888

Item 9. Date of Report

This report is dated this 23rd day of October, 2023.

SCHEDULE "A"



Monday, 23 October 2023 07:55

Forward Water Technologies Corp. Successfully Closes Non-Brokered Placement

TORONTO, ON / ACCESSWIRE / October 23, 2023 / Forward Water Technologies Corp. (TSXV:FWTC) (the "**Company**") is pleased to announce the closing of its previously announced non-brokered private placement raising total gross proceeds of \$462,000 (the "**Offering**").

The Offering involved the issuance of 9,240,000 units at a price of \$0.05 per unit. Each unit was comprised of one (1) common share and one (1) common share purchase warrant. Each common share purchase warrant entitles the holder thereof to acquire one common share of the Company at a price of \$0.075 per share at any time on or before October 20, 2026.

"We are pleased to have completed this non-brokered private placement", said Howie Honeyman, CEO and President of the Company. "The funds raised included significant follow-on investment from key shareholders, management, and insiders. Proceeds from the raise will be used to support our strategic initiatives, including commercial and customer development as well as general working capital. We appreciate the support and confidence shown by our investors as we continue to pursue our objectives."

The securities issued in connection with the Offering are subject to a hold period of four months and one day.

Pursuant to the Offering, the Company issued securities to certain purchasers that are considered to be "related parties" (within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**")), making the Offering a "related party transaction" (within the meaning of MI 61-101) (the "**Related Party Subscriptions**"). The Company was exempt from obtaining a formal valuation for, and minority approval of, the Related Party Subscriptions pursuant to Section 5.5(a) and 5.7(1)(a) of MI 61-101, respectively.

Firstline Venture Partners Corporation subscribed for a total of 3,000,000 units pursuant to the Offering. Mr. John Koehle is the Principal and a Managing Director of Firstline Venture Partners Corporation, a director of the Company and a "related party" of the Company (within the meaning of MI 61-101). Firstline Venture Partners Corporation now beneficially owns, or exercises control or direction over, 29,664,296 common shares (or, approximately 25.25% of the issued and outstanding common shares up from 24.6% prior to the closing of the Offering).

Lea Ray subscribed for a total of 180,000 units pursuant to the Offering. Ms. Ray is a director of the Company and a "related party" of the Company (within the meaning of MI 61-101). Ms. Ray now beneficially owns, or exercises control or direction over, 290,000 common shares (or, approximately 0.25% of the issued and outstanding common shares up from 0.10% prior to the closing of the Offering).

Grant Thornley subscribed for a total of 60,000 units pursuant to the Offering. Mr. Thornley is an officer of the Company and a "related party" of the Company (within the meaning of MI 61-101). Mr. Thornley now beneficially owns, or exercises control or direction over, 226,666 common shares (or, approximately 0.19% of the issued and outstanding common shares up from 0.15% prior to the closing of the Offering).

The material change report to be filed in connection with the Private Placement will be filed less than 21 days prior to the closing of the offerings. The shorter period was necessary in order to permit the Company to close the Private Placement in a timeframe consistent with usual market practice for transactions of this nature.

About Forward Water Technologies Corp.

Forward Water Technologies Corp. is a publicly traded Canadian company dedicated to saving the earth's water supply using its patented Forward Osmosis technology. The Company was founded by GreenCentre Canada, a leading technology innovation centre supported by the government of Canada. The Company's technology allows for the reduction of challenging waste streams simultaneously returning fresh water for re-use or surface release. The Company's mandate is to focus on the large-scale implementation of its technology in multiple sectors, including industrial wastewater, oil and gas, mining, agriculture and ultimately municipal water supply and re-use market sectors. In addition, the Company has initiated early stage R&D for the treatment of food and beverage process streams.

For more information, please visit www.forwardwater.com.

Contact Information

For more information or interview requests, please contact:

C. Howie Honeyman - Chief Executive Officer
howie.honeyman@forwardwater.com
519 333 5888

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Forward-Looking Statements

Certain statements contained in this news release constitute "forward-looking information" as such term is used in applicable Canadian securities laws including statements regarding the use of proceeds of the offering and expansion and uptake of the Company's technology and the ability for the Company to achieve its growth strategy and business plan. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions, including, the ability to scale the technology and the adoption of the technology by potential customers. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; unanticipated operating events; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility as well as the other risks and uncertainties applicable to the Company

as set forth in the Company's continuous disclosure filings filed under the Company's profile at www.sedarplus.ca. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information.