

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 29, 2025

Item 3. News Releases

A press release in the form of Schedule "A" attached hereto was disseminated on October 29, 2025 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. ("**FWTC**" or the "**Company**") (TSXV:FWTC) closed its previously announced non-brokered offering of \$1,025,000 principal amount of convertible debenture units (the "**Debenture Units**").

The Debenture Units were each priced at \$1,000, with each Debenture Unit consisting of (i) \$1,000 principal amount of convertible debentures (the "**Convertible Debentures**") and (ii) 5,000 common share purchase warrants ("**Warrants**"). Each Warrant entitles the holder to acquire one common share of the Company (a "**Common Share**") at any time up to the 36-month anniversary of the date of issuance. The exercise price of the Warrants is \$0.07 per Common Share if exercised on or before October 29, 2026, and \$0.10 per Common Share thereafter. In addition, the Convertible Debentures include a pre-payment right in favour of the Company, exercisable at any time following October 29, 2026. The net proceeds of the offering will be used to fund operating expenses and general working capital of the Company.

The Convertible Debentures will mature on October 29, 2028 (the "**Maturity Date**") and bear interest at 14% per annum, payable annually on the last business day of each year. Until the principal owing is paid, a holder shall have the option to convert the principal owing pursuant to the Convertible Debentures into common shares of the Company at a conversion price of \$0.07 per share if converted on or before October 29, 2026, and at a conversion price of \$0.10 thereafter, subject to customary adjustments. At the holder's option, the Company will apply to the TSX Venture Exchange for approval to convert accrued interest into Common Shares at the then prevailing market price, pursuant to the policies of the TSX Venture Exchange.

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

E: howie.honeyman@forwardwater.com

T: (519) 333-5888

Item 9. Date of Report

This report is dated this 31st day of October, 2025.

SCHEDULE "A"



Forward Water Technologies Corp. Announces Closing of Non-Brokered Private Placement of \$1,025,000 of Debenture Units

TORONTO, ON / ACCESS Newswire / October 29, 2025 / Forward Water Technologies Corp. ("FWTC" or the "Company") (TSXV:FWTC) is pleased to announce that it has closed its previously announced non-brokered offering of \$1,025,000 principal amount of convertible debenture units (the "Debenture Units").

The Debenture Units were each priced at \$1,000, with each Debenture Unit consisting of (i) \$1,000 principal amount of convertible debentures (the "Convertible Debentures") and (ii) 5,000 common share purchase warrants ("Warrants"). Each Warrant entitles the holder to acquire one common share of the Company (a "Common Share") at any time up to the 36-month anniversary of the date of issuance. The exercise price of the Warrants is \$0.07 per Common Share if exercised on or before October 29, 2026, and \$0.10 per Common Share thereafter. In addition, the Convertible Debentures include a pre-payment right in favour of the Company, exercisable at any time following October 29, 2026. The net proceeds of the offering will be used to fund operating expenses and general working capital of the Company.

The Convertible Debentures will mature on October 29, 2028 (the "Maturity Date") and bear interest at 14% per annum, payable annually on the last business day of each year. Until the principal owing is paid, a holder shall have the option to convert the principal owing pursuant to the Convertible Debentures into common shares of the Company at a conversion price of \$0.07 per share if converted on or before October 29, 2026, and at a conversion price of \$0.10 thereafter, subject to customary adjustments. At the holder's option, the Company will apply to the TSX Venture Exchange for approval to convert accrued interest into Common Shares at the then prevailing market price, pursuant to the policies of the TSX Venture Exchange.

The Company paid to certain finders, finders fees of \$55,500 and issued 792,856 broker warrants to such finders. The broker warrants are non-transferable but otherwise have terms equivalent to the Warrants described above.

Certain insiders of the Company participated in offering and subscribed for an aggregate of \$125,000 of Debenture Units. Participation by insiders in the offering constituted a "related party transaction" as defined under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on exemptions from the formal valuation and minority approval requirements contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of such insider participation, based on a determination that fair market value of the participation in the offering by insiders did not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. A material change report in connection with the offering was not filed less than 21 days in advance of the closing of the offering, which the Company deemed reasonable in the circumstances so as to be

able to avail itself of the potential financing opportunity and complete the offering in an expeditious manner.

The offering was conducted in reliance upon certain prospectus exemptions. Pursuant to applicable Canadian securities laws, all securities issued in connection with the offering are subject to a statutory hold period of four months plus a day from the date of issuance (being March 1, 2026).

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.

For more information or interview requests, please contact:

C. Howie Honeyman - Chief Executive Officer
howie.honeyman@forwardwater.com
1-519-333-5888

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.

Caution Concerning Forward Looking Information

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "will", "estimates", "believes", "intends" "expects" and similar expressions which are intended to identify forward-looking statements. Forward-looking statements in this press release include statements regarding the potential use of proceeds from the offering. FWTC cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, assumptions and expectations, many of which are beyond the control of FWTC, including those described in FWTC's disclosure documents available on SEDAR+ at www.sedarplus.ca. The reader is cautioned that assumptions used in the preparation of any forward-looking statements may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond

the control of FWTC. The reader is cautioned not to place undue reliance on any forward-looking statements. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this press release are made as of the date of this press release, and FWTC does not undertake to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.