

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Pulse Oil Corp. (“**Pulse**” or the “**Company**”)
Suite 500, 666 Burrard Street
Vancouver, British Columbia
V6C 3P6

Item 2: Date of Material Change

December 7, 2023

Item 3: News Release

News release announcing the material changes was issued on December 7, 2023, through GlobeNewswire and a copy has been filed under the Company’s profile on SEDAR+.

Item 4: Summary of Material Change

On December 7, 2023, Pulse announced a Rights Offering with standby commitment of \$4,156,000.

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

On December 7, 2023, Pulse Oil Corp. announced the offering of rights (the “**Rights Offering**”) to holders of its common shares (“**Common Shares**”) of record at the close of business on December 15, 2023 (the “**Record Date**”). Pursuant to the Rights Offering, each holder of Common Shares (a “**Shareholder**”) will receive one-fifth of a transferable right for each Common Share held of Pulse as of the Record Date. Each whole right (a “**Right**”) will entitle the holder thereof to subscribe for one (1) Common Share at a price of \$0.04 per Common Share (the “**Basic Subscription Privilege**”) until 2:00 p.m. (Pacific time) (the “**Expiry Time**”) on January 12, 2024. If the Rights are fully exercised, the Rights Offering will raise gross proceeds of \$4,156,000.

The net proceeds from the Rights Offering will primarily be used on the first of two 100% owned Bigoray Nisku Pinnacle Reefs by funding growth opportunities within Pulse’s Bigoray Enhanced Oil Recovery (Bigoray EOR) project. Specifically, the proceeds of this Offering will allow Pulse to do the following:

1. Workover and stimulate one Bigoray well located in the Nisku E pool in order to place the well on production.
2. Drill and complete one new vertical well within the Bigoray Nisku D pool to grow Pulse’s oil and gas production immediately, while also adding an EOR production well in an ideal location within the Nisku D pool, expediting production growth from Pulse’s existing EOR program.
3. Fund continued solvent injection into the Nisku D pool.

Pulse believes that the resultant cashflow from the above operations will allow Pulse to expand the EOR operational plan as follows:

1. Drill a new horizontal well near the newly water flooded section and completing the well with sliding sleeve technology that will allow for expedited production growth during the EOR program.
2. Drill a new vertical production well ideally located within the Nisku D pool, to maximize production rates and increase maximize ultimate oil recovery within the pool.
3. Convert a third well in the Nisku D pool to a solvent injection well in order to enhance solvent injection.

The Rights will be offered to Shareholders resident in each province and territory of Canada (the “**Eligible Jurisdictions**”) and Shareholders who have satisfied the requirements of Pulse for those resident outside of the Eligible Jurisdictions. Accordingly, and subject to the detailed provisions of the right offering circular dated December

7, 2023 (the “**Circular**”), Rights certificates (“**Rights Certificates**”) will not be mailed to Shareholders resident outside of the Eligible Jurisdictions, unless such Shareholders are able to establish to the satisfaction of Pulse, on or before December 29, 2023, that they are eligible to participate in the Rights Offering. Shareholders who fully exercise their Rights will be entitled to subscribe pro rata for Common Shares not otherwise subscribed for by other holders of Rights prior to the expiry time, if any, pursuant to the Basic Subscription Privilege. Pulse understands that certain directors and officers of Pulse who own Common Shares intend to exercise their rights to purchase Common Shares under the Rights Offering.

The Rights Offering is subject to the final approval of the TSX Venture Exchange (the “**TSXV**”). Complete details of the Rights Offering are set out in the Circular and the rights offering notice (the “**Notice**”), which are filed under Pulse’s profile at www.sedarplus.ca.

Neither the Rights being offered or the Common Shares issuable upon exercise of the Rights have been or will be registered under the *United States Securities Act of 1933*, as amended, and may not be exercised, offered or sold, as applicable, in the United States absent registration or an applicable exemption from the registration requirements. This material change report shall not constitute an offer to sell or the solicitation of an offer to buy the securities of Pulse.

Standby Commitment Agreement

In connection with the Rights Offering, Pulse has entered into standby commitment agreements (the “**Standby Commitment Agreements**”) with CDN Trustee Limited TR CDN Trust and Andrew Ritchie TR AJ Trust No 2 (the “**Standby Purchasers**”), insiders of Pulse currently owning 13.28% and 15.40%, respectively, of Pulse’s Common Shares. Patrick Harrison, a director of Pulse, is a director of the corporate trustee of CDN Trustee Limited TR CDN Trust. The Standby Purchasers have agreed, subject to certain terms and conditions, to exercise their Basic Subscription Privilege in respect of any Rights it holds, and, in addition thereto, acquire any additional Common Shares available as a result of any unexercised Rights under the Rights Offering (the “**Standby Commitments**”), such that Pulse will, subject to the terms of the Standby Commitment Agreement, be guaranteed to issue 98,000,000 Common Shares in connection with the Rights Offering for aggregate gross proceeds of \$3,920,000. The Standby Commitment is being guaranteed by CDN Trustee Limited TR CDN Trust in the amount of \$2,180,000 and Andrew Ritchie TR AJ Trust No 2 in the amount of \$1,740,000 and has been approved by the independent directors of the Company. As consideration for the Standby Commitment, the Company has agreed to issue non-transferable bonus warrants (the “**Standby Commitment Warrants**”) to the Standby Purchasers (being 25% of the amount of the Standby Commitment exceeding the Basic Subscription Privilege). Each Standby Commitment Warrant will be exercisable for sixty (60) months from the date of issuance into one Common Share at a price of \$0.05 per share. CDN Trustee Limited TR CDN Trust and Andrew Ritchie TR AJ Trust No 2 have undertaken not to exercise their Standby Commitment Warrants if to do so would result in its beneficial shareholdings of Pulse exceeding 20% unless Pulse disinterested shareholder approval to the same has been obtained.

Each of the Standby Purchasers is a “related party” of Pulse under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) because CDN Trustee Limited TR CDN Trust and Andrew Ritchie TR AJ Trust No 2 each exercise control and direction over more than 10% of the issued and outstanding Common Shares. The Rights Offering is not subject to the related party rules under MI 61-101 based on a prescribed exception related to rights offerings. With respect to the issuance of the Standby Commitment Warrants to the Standby Purchasers, Pulse is relying on exemptions from the formal valuation and minority approval requirements of MI 61-101 pursuant to sections 5.5(b) and 5.7(1)(a) thereof on the basis that Common Shares are listed only on the TSX Venture Exchange and, at the time the Standby Commitment Agreements were entered into, neither the fair market value of the Standby Commitment Warrants, nor the fair market value of the consideration for Standby Commitment Warrants exceeded 25% of Pulse’s market capitalization, respectively.

Early Warning Disclosure

CDN Trustee Limited TR CDN Trust and Andrew Ritchie TR AJ Trust No 2 are providing the following additional information pursuant to the early warning requirements of applicable Canadian securities laws:

(a) CDN Trustee Limited TR CDN Trust:

Prior to the entering into of the Standby Commitment Agreements, CDN Trustee Limited TR CDN Trust beneficially owned an aggregate of 69,000,000 Common Shares, representing approximately 13.28% of the issued and outstanding Common Shares. Assuming none of the holders of Rights (other than the Standby Purchasers) take up their Basic Subscription Privilege and the Standby Purchasers provide their respective Standby Commitment in full, CDN Trustee Limited TR CDN Trust would acquire an aggregate of 54,500,000 Common Shares, in connection with the Rights Offering and 10,175,000 Standby Commitment Warrants in connection with the Standby Commitment. Following closing of the Rights Offering, CDN Trustee Limited TR CDN Trust would beneficially own an aggregate of 123,500,000 Common Shares, which would represent approximately 19.9982% of the issued and outstanding Common Shares. In addition, if CDN Trustee Limited TR CDN Trust exercises its Standby Commitment Warrants and all other Common Share purchase rights, options and other rights to acquire Common Shares held by it, it would own 133,675,000 Common Shares or approximately 21.29%.

The Common Shares are being acquired for investment purposes. CDN Trustee Limited TR CDN Trust may from time to time acquire additional securities, dispose of some or all of the existing or additional securities, or may continue to hold the securities of Pulse.

(b) Andrew Ritchie TR AJ Trust No 2:

Prior to the entering into of the Standby Commitment Agreements, Andrew Ritchie TR AJ Trust No 2 beneficially owned an aggregate of 80,000,000 Common Shares, representing approximately 15.40% of the issued and outstanding Common Shares. Assuming none of the holders of Rights (other than the Standby Purchasers) take up their Basic Subscription Privilege and the Standby Purchasers provide their Standby Commitment in full, Andrew Ritchie TR AJ Trust No 2 would acquire an aggregate of 43,500,000 Common Shares, in connection with the Rights Offering and 6,875,000 Standby Commitment Warrants in connection with the Standby Commitment. Following closing of the Rights Offering, Andrew Ritchie TR AJ Trust No 2 would beneficially own an aggregate of 123,500,000 Common Shares, which would represent approximately 19.9982% of the issued and outstanding Common Shares. In addition, if Andrew Ritchie TR AJ Trust No 2 exercises its Standby Commitment Warrants and all other Common Share purchase rights, options and other rights to acquire Common Shares held by it, it would own 130,375,000 Common Shares or approximately 20.88%.

The Common Shares are being acquired for investment purposes. Andrew Ritchie TR AJ Trust No 2 may from time to time acquire additional securities, dispose of some or all of the existing or additional securities, or may continue to hold the securities of Pulse.

Forward Looking Statements:

This material change report contains “forward-looking information” within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information. In particular, this material change report contains forward-looking information regarding: the Rights Offering, including the expiry time of the Rights Offering, the potential use of proceeds, forecasted operations and the results of such operations. This forward-looking information reflects Pulse’s current beliefs and is based on information currently available to Pulse and on assumptions Pulse believes are reasonable. These assumptions include, but are not limited to: the underlying value of Pulse and its Common Shares; market acceptance of the Rights Offering; TSX Venture Exchange final approval of the Rights Offering; operational timing and results; and the market acceptance of Pulse’s business strategy. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Pulse to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future drilling and workover operations; production growth anticipated from drilling operations, EOR operational results, competition; changes in legislation, including environmental legislation, affecting Pulse; the timing and availability of external financing on acceptable terms; and loss of key individuals. A description of additional risk factors that may cause actual results to differ materially from forward-looking information

can be found in Pulse's disclosure documents on the SEDAR+ website at www.sedarplus.ca. The forward-looking information contained in this material change report is subject to change. However, Pulse expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

Garth Johnson, Chief Executive Officer
Telephone: 604 909-1152

Item 9: Date of Report

December 7, 2023