

FORM 51-102F3

Material Change Report

**MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF
NATIONAL INSTRUMENT NO. 51-102**

Item 1. Reporting Issuer

Matador Technologies Inc. (the "**Company**")
40 King St. West, Suite 2400
P.O. Box 215
Toronto, Ontario M5H 3Y2

Item 2. Date of Material Change

A material change took place effective December 9, 2024.

Item 3. Press Release

On December 9, 2024, a news release in respect of the material change was disseminated by the Company.

Item 4. Summary of Material Change

The Company announced the completion of its previously announced "Qualifying Transaction" as defined under *Policy 2.4 – Capital Pool Companies* of the TSX Venture Exchange which was effected through a reverse takeover structured as a court approved plan of arrangement under Section 182 of the *Business Corporations Act* (Ontario) on the terms and conditions set out in the merger agreement dated October 16, 2024 among the Company and Matador Gold Technologies Inc.

Item 5. Full Description of Material Change

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated by reference herein.

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 information has been omitted.

Item 8. Executive Officer

Deven Soni, Chief Executive Officer

Item 9. Date of Report

DATED at Toronto, in the Province of Ontario, this 17th day of December 2024.

SCHEDULE "A"

PRESS RELEASE

MATADOR TECHNOLOGIES INC. (FORMERLY, SCALING CAPITAL 1 CORP.) ANNOUNCES COMPLETION OF QUALIFYING TRANSACTION

Toronto, Ontario (December 9, 2024) – Matador Technologies Inc. (formerly, Scaling Capital 1 Corp.) (TSXV: SKAL.P) (the “**Corporation**”) announces the completion of its previously announced “Qualifying Transaction” as defined under *Policy 2.4 – Capital Pool Companies* of the TSX Venture Exchange (the “**Exchange**”). The Qualifying Transaction was effected through a reverse takeover structured as a court approved plan of arrangement under Section 182 of the *Business Corporations Act* (Ontario) (the “**Arrangement**”) on the terms and conditions set out in the merger agreement dated October 16, 2024 among the Corporation and Matador Gold Technologies Inc. (“**Matador Gold**”).

For further information on the Qualifying Transaction, please refer to the filing statement of the Corporation dated November 29, 2024 (the “**Filing Statement**”) filed under the Corporation’s profile on SEDAR+ at www.sedarplus.ca.

Details of the Arrangement and Concurrent Financing

On December 5, 2024 Matador Gold completed its previously announced non-brokered private placement (the “**Concurrent Financing**”) pursuant to which it issued an aggregate of 12,446,822 common shares (the “**Matador Gold Shares**”) at a price of \$0.50 per Matador Gold Share, to raise aggregate gross proceeds of \$6,223,411.

In connection with the Concurrent Financing, Matador Gold paid a corporate finance fee of an aggregate of \$25,650, a finder's fee of \$93,000, and issued an aggregate of 186,000 broker warrants (the “**Broker Warrants**”) to eligible registrants assisting in the Concurrent Financing. Each Broker Warrant is exercisable to acquire one Matador Gold Share at an exercise price of \$0.50 for a period of 12 months from the date of issuance. Upon completion of the Arrangement, the Broker Warrants automatically entitled the holder thereof to acquire one Post-Consolidation Share (as defined below) in lieu of one Matador Gold Share upon the same terms and conditions. The net proceeds of the Concurrent Financing will be used to fund transaction costs associated with the Arrangement, to establish market presence and milestones, to purchase gold and Bitcoin to hold on the Corporation’s balance sheet and for general corporate purposes, all as further described in the Filing Statement.

Subsequent to the completion of the Concurrent Financing, the Arrangement was completed in connection with which, amongst other matters, (i) the issued and outstanding common shares of the Corporation (the “**SCC Shares**”) were consolidated on the basis of one “new” common share (a “**Post-Consolidation Share**”) for every 2.2727 SCC Shares outstanding (the “**Consolidation**”); (ii) each outstanding Matador Gold Share was exchanged for one Post-Consolidation Share; (iii) Matador Gold became a wholly-owned subsidiary of the Corporation; and (iv) the name of the Corporation was changed from “Scaling Capital 1 Corp.” to “Matador Technologies Inc.”

Following the completion of the Arrangement, in each case on a non-diluted basis:

- the former shareholders of Matador Gold (exclusive of subscribers in the Concurrent Financing) hold 71,166,141 Post-Consolidation Shares, representing approximately 77.49% of all issued and outstanding Post-Consolidation Shares;
- the shareholders of the Corporation immediately prior to the Arrangement hold 8,228,092 Post-Consolidation Shares, representing approximately 8.96% of all issued and outstanding Post-

Consolidation Shares; and

- the participants in the Concurrent Financing hold 12,446,822 Post-Consolidation Shares, representing approximately 13.55% of all issued and outstanding Post-Consolidation Shares.

Following completion of the Arrangement, the registered and head office of the Corporation is located at 1 University Avenue, Suite 300, Toronto, Ontario, Canada, M5J 2P1.

Escrowed Securities

In connection with the Corporation's initial public offering completed on November 14, 2022, 12,500,000 common shares of the Corporation (pre-Consolidation) are held in escrow in accordance with the policies of the Exchange pursuant to a customary CPC escrow agreement dated November 14, 2022 between the Corporation, Odyssey Trust Company, and certain shareholders of the Corporation, the terms of which are fully disclosed in the Filing Statement. Following completion of the Arrangement and the Consolidation, these securities will be released on the terms of which are detailed below:

Percentage of Post Consolidation Shares Released	Time of Release
25%	Date of final Exchange bulletin announcing closing of the Arrangement (the " Final Exchange Bulletin ")
25%	6 months from Final Exchange Bulletin
25%	12 months from Final Exchange Bulletin
25%	18 months from Final Exchange Bulletin

Upon completion of the Arrangement and the Consolidation:

- 27,280,100 Post-Consolidation Shares, 3,000,000 performance share units of the Corporation and 10,102,000 stock options of the Corporation are subject to surplus escrow pursuant to the policies of the Exchange, and shall be released as further detailed below:

Percentage of Post Consolidation Shares Released	Time of Release
5%	Date of Final Exchange Bulletin
5%	6 months from Final Exchange Bulletin
10%	12 months from Final Exchange Bulletin
10%	18 months from Final Exchange Bulletin
15%	24 months from Final Exchange Bulletin
15%	30 months from Final Exchange Bulletin
40%	36 months from Final Exchange Bulletin

- 14,101,000 Post-Consolidation Shares are subject to voluntary resale restrictions which shall be released as further detailed below:

Proportion Subject to Voluntary Resale Restrictions	Expiration of Voluntary Resale Restrictions
20%	The date on which the Post-Consolidation shares are listed for trading following the Arrangement (the " Listing Date ")
20%	3 months following the Listing Date
20%	6 months following the Listing Date.
20%	9 months following the Listing Date
20%	12 months following the Listing Date

- 25,600,000 Post Consolidation Shares are subject to seed share resale requirements which shall be released as further detailed below:

Percentage of Post Consolidation Shares Released	Time of Release
10%	Date of the Final Exchange Bulletin
15%	6 months from Final Exchange Bulletin
15%	12 months from Final Exchange Bulletin
15%	18 months from Final Exchange Bulletin
15%	24 months from Final Exchange Bulletin
15%	30 months from Final Exchange Bulletin
15%	36 months from Final Exchange Bulletin

- 1,000,000 Post-Consolidation Shares are subject to contractual resale restrictions. Of these, 750,000 Post-Consolidation Shares are also held in escrow pursuant to an escrow agreement between the Corporation, Odyssey Trust Company, and certain shareholders of the Corporation dated December 5, 2024 and 250,000 Post-Consolidation Shares are subject to the seed share resale provisions of the Exchange. Where these Post-Consolidation Shares are subject to multiple resale or escrow restrictions, the release schedule with the more stringent terms will apply.

Upon the date on which the Post-Consolidation Shares are listed for trading on the Exchange, 250,000 of these securities will be released, with the remaining balance released on the terms of which are detailed below:

- 250,000 Post-Consolidation Shares shall be released upon completion of an equity financing by the Corporation to raise minimum aggregate gross proceeds of \$10,000,000;
- 250,000 Post-Consolidation Shares shall be released upon the Corporation holding \$100,000,000 in tokenized gold;
- 25,000 Post-Consolidation Shares shall be released upon the establishment of each qualified partnership by the Corporation, to a maximum of 150,000 Post-Consolidation Shares; and

- 100,000 Post-Consolidation Shares shall be released upon the Corporation having \$100,000,000 in assets under management or tokenized gold.

Exchange Approval and Listing

The Exchange has previously granted conditional acceptance in respect of the listing of the additional Post Consolidation Shares resulting from the Qualifying Transaction, subject to receipt of final submission documents. Pending satisfactory review of such final materials by the Exchange, it is expected that the Post-Consolidation Shares, which were previously halted on August 13, 2024, will commence trading, on a post-Consolidation basis, at the opening of markets on or about December 16, 2024 under the ticker symbol “MATA”.

Board of Directors and Management

As of the closing of the Qualifying Transaction, the existing board of directors and officers resigned. As approved by the shareholders of the Corporation at the annual and special meeting of the shareholders held on November 15, 2024 (the “**Meeting**”), effective upon the completion of the Qualifying Transaction, Messrs. Deven Soni, Donato Sferra, Richard Murphy, and Tyler Evans were appointed to the board of directors.

In addition, upon completion of the Arrangement, the board of directors was further increased from four to five members, and Mr. Peter Kampian was appointed as the fifth director. Mr. Kampian, CPA, CA, ICD.D, has a long track record as a financial executive with a number of private and public companies and has over 35 years of financial management experience. He serves on the boards of Electryon Inc, a solar and hydrogen power developer, Aduro Clean Technologies Inc. where he is acting as chair of the audit committee and Greenbutts Canada Holdings Corp. He previously served on the Board of Harborside Inc, Grenville Strategic Royalty Corp. (currently Flow Capital Corp.), CannaRoyalty Corp., acquired by Cresco Labs Inc and Red Pine Exploration Inc, where he was the chair of the audit committee for the companies. He also served on the board of James E. Wagner Cultivation Corporation, where he was on the special committee during its restructuring process. Mr. Kampian has acted as chief restructuring officer for PharmHouse Inc. and Muskoka Grown Ltd both Canadian Cannabis Licensed Producer. Mr. Kampian has served as Chief Financial Officer of Mettrum Health Corp., which was acquired by Canopy Growth Corp. in early 2017 and as chief financial officer of Algonquin Income Fund (now Algonquin Power and Utilities) where he led and supported debt and equity capital raising. Mr. Kampian is a charter accountant and a member of the Chartered Professional Accountants of Ontario and a member of the Institute of Corporate Directors.

Also upon closing of the Qualifying Transaction, Deven Soni was appointed as the Corporation’s Chief Executive Officer and Chairman, Sunny Ray was appointed as President, Mark Moss was appointed as Chief Visionary Officer, and Andrew Newbury was appointed as the Corporate Secretary. In addition, the Corporation is pleased to announce that Mr. Jing Peng has been appointed as the Chief Financial Officer of the Corporation. Mr. Peng is a Canadian Chartered Professional Accountant. He has worked in public accounting for the past 15 years providing financial services primarily to junior exploration companies. Mr. Peng has acted as CFO and director for other Canadian reporting issuers. In addition, since December 2010, Mr. Peng has been the senior financial analyst at Marrelli Support Services, a well-respected supplier of accounting and reporting services. Mr. Peng previously served as a senior accountant at MSCM LLP and KPMG LLP. Mr. Peng holds a master degree in Management and Professional Accounting from the Rotman School of Management, University of Toronto.

Appointment of New Auditor

In connection with the closing of the Qualifying Transaction and as approved at the Meeting, Kingston Ross Pasnak LLP will serve as auditor of the Corporation for the fiscal year ended October 31, 2024.

Adoption of amendments to the Compensation Plans

At the Meeting, shareholders of the Corporation also approved a new stock option plan and restricted share unit and performance share unit plan for the Corporation (collectively, the “**Compensation Plans**”). The Compensation Plans were conditionally approved by the Exchange on October 15, 2024, and came into effect upon the closing of the Qualifying Transaction.

The Compensation Plans are intended to enable the directors, officers, employees and other eligible participants thereunder to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of the Corporation’s shareholders.

For further details of the Compensation Plans, please refer to the Corporation’s management information circular dated October 16, 2024, filed under the Corporation’s profile on SEDAR+ at www.sedarplus.ca

About Matador Technologies Inc.

The Corporation was incorporated under the ABCA on November 1, 2021, and its registered and head office are located at 1 University Avenue, Suite 300, Toronto, Ontario, M5J 2P1. The Corporation aims to democratize the gold buying experience, combining the best of modern technology and time-proven assets, to create an app that will allow users to buy, sell, and store gold 24/7, with the added security and flexibility of an encrypted mobile application. For further details of the business of the Corporation following the completion of the Arrangement, please refer to the Filing Statement filed under the Corporation’s profile on SEDAR+ at www.sedarplus.ca.

Early Warning Reports

In connection with the Arrangement, Donato Sferra (the “**Acquirer**”) announces that he has indirectly acquired ownership and control of 11,110,000 Post-Consolidation Shares (“**Subject Shares**”) and 1,550,000 stock options of the Corporation (the “**Subject Options**” and together with the Subject Shares, the “**Subject Securities**”).

The Subject Securities represent approximately 12.1% of all issued and outstanding Post-Consolidation Shares as of December 9, 2024, immediately following completion of the Arrangement (or approximately 13.6% on a partially diluted basis assuming exercise of the Subject Options only), resulting in a corresponding change to the aggregate percentage ownership of the Corporation by the Acquirer.

Immediately before the Arrangement, the Acquirer and his joint actors held no securities of the Corporation. Immediately following the Arrangement, the Acquirer and his joint actors held the 11,110,000 Subject Shares and the 1,550,000 Subject Options representing approximately 12.1% of the issued and outstanding Post-Consolidation Shares at December 9, 2024 immediately following completion of the Arrangement (or approximately 13.6% on a partially diluted basis assuming exercise of the Subject Options only), of which the Acquirer held 3,110,000 Subject Shares and 1,550,000 Subject Options representing approximately 3.3% of the issued and outstanding Post-Consolidation Shares (or approximately 4.9% on a partially diluted basis assuming exercise of the Subject Options only), and his joint actors held 8,000,000 Subject Shares

representing approximately 8.7% of the issued and outstanding Post-Consolidation Shares immediately following the completion of the Arrangement.

The Subject Securities and Subject Options were acquired pursuant to the Arrangement for no cash consideration. The holdings of securities of the Corporation by the Acquirer are managed for investment purposes, and the Acquirer and/or his joint actors could increase or decrease their respective investments in the Corporation at any time, or continue to maintain their current investment position, depending on market conditions or any other relevant factor.

A copy of the applicable securities report filed in connection with the matters set forth above may be obtained by contacting: Donato Sferra, 40 King St. West, Suite 2400, PO Box 215, Toronto, Ontario, Canada, M5H 3Y2, Tel: 416-303-6787.

Cautionary Statement Regarding Forward-Looking Information

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 RELEASE.

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

This news release contains certain forward-looking statements, including statements relating to satisfaction of Exchange requirements, the expected date the Post Consolidation Shares will commence trading on a post-Consolidation basis, the future business and prospects of the Corporation, and other statements that are not historical facts. Wherever possible, words such as “may”, “will”, “should”, “could”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict” or “potential” or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management’s current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions, including the Corporation’s ability to meet the conditions set out in the Exchange’s conditional approval letter. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, the Corporation cannot assure readers that actual results will be consistent with these forward-looking statements.

These forward-looking statements are made as of the date of this press release, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

For additional information, please contact:

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