

# FORM 51-102F3

## MATERIAL CHANGE REPORT

- Item 1. Name and Address of Company**
- CHAR Technologies Ltd.  
403-789 Don Mills Road  
Toronto, Ontario M3C 1T5
- Item 2. Date of Material Change**
- October 5, 2020
- Item 3. News Release**
- The news release was disseminated through [please add newswire agent to the working group] on October 5th, 2020
- Item 4. Summary of Material Change**
- The Company announced its intention to complete a non-brokered private placement of up to 5,000,000 Common shares of the Company at CDN\$0.10 per Share for gross aggregate proceeds of up to CDN\$500,000.
- Item 5. Full Description of Material Change**
- 5.1 Full Description of Material Change**
- See Schedule "A" attached hereto
- 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**
- None.
- Item 8. Executive Officer**
- Contact: Andrew White  
Title: Chief Executive Officer  
Telephone: (866) 521-3654  
Email: andrew.white@chartechnologies.com
- Item 9. Date of report**
- October 6, 2020

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## CHAR TECHNOLOGIES ANNOUNCES PRIVATE PLACEMENT

Toronto, Ontario -- October 5, 2020 -- CHAR Technologies Ltd. ("CHAR Technologies" or the "Company") (TSX Venture Exchange: YES) is pleased to announce its intention to complete a non-brokered private placement (the "Offering") of up to 5,000,000 common shares in the capital of the Company ("Shares") at a price of CDN\$0.10 per Share for gross proceeds of up to CDN\$500,000.

The Offering is subject to a minimum subscription amount of CDN\$10,000.

Certain insiders of the Company may acquire Shares in the Offering. Any participation by insiders in the Private Placement would constitute a "related party transaction" as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). However, the Company expects such participation would be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as the fair market value of the Shares subscribed for by the insiders, nor the consideration for the Shares paid by such insiders, would exceed 25% of the Company's market capitalization.

CHAR Technologies intends to use the net proceeds of the Offering for general working capital purposes.

Closing of the Offering is subject to approval of the TSX Venture Exchange.

The securities issued under the Offering, will be subject to a statutory hold period expiring four months and one day from the date of issuance of such securities.

### About CHAR Technologies

CHAR Technologies Ltd. is a cleantech development and services company, specializing organic waste pyrolysis and biocarbon development, custom equipment for industrial air and water treatment, and providing services in environmental management, site investigation and remediation, engineering, environmental compliance and resource efficiency.

Andrew White  
Chief Executive Officer  
CHAR Technologies Ltd.  
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*Neither the TSX Venture Exchange nor its Regulation Service Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy of this news release.*

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "*U.S. Securities Act*"), or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the *U.S. Securities Act* and applicable state securities laws or an exemption from such registration is available.

### Cautionary Statement Regarding Forward-Looking Information

Certain information contained in this news release constitutes "forward-looking information" or "forward-looking statements" (collectively, "forward-looking information"). Without limiting the foregoing, such forward-looking information includes statements regarding the process and completion of the Offering, the use of proceeds of the Offering and any statements regarding the Company's business plans, expectations and objectives. In this news release, words such as "may", "would", "could", "will", "likely", "believe", "expect", "anticipate", "intend", "plan", "estimate" and similar words and the negative form thereof are used to identify forward-looking information. Forward looking information should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future performance will be achieved. Forward-looking information is based on information available at the time and/or the Company management's good faith belief with respect to future events and is subject to known or unknown risks, uncertainties, assumptions and other unpredictable factors, many of which are beyond the Company's control. For additional information with respect to these and other factors and assumptions underlying the forward-looking information made in this news release, see the Company's most recent Management's Discussion and Analysis and financial statements and other documents filed by the Company with the Canadian securities commissions and the discussion of risk factors set out therein. Such documents are available at [www.sedar.com](http://www.sedar.com) under the Company's profile and on the Company's website, <https://www.chartechnologies.com/>. The forward-looking information set forth herein reflects the Company's expectations as at the date of this news release and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.