

**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 Changes

September 8th, 2022

Item 3 News Release

A news release in respect of the material change was issued and disseminated on September 8th, 2022, through the facilities of GlobeNewswire and was subsequently filed on SEDAR, and is included as Schedule A to this material change report.

Item 4 Summary of Material Changes

CHAR Technologies Announces \$625,000 Debt Financing.

Item 5 Full Description of Material Changes

A full description of the material change is contained in the news release attached hereto as Schedule A.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

Item 7 Omitted Information

Not applicable

Item 8 Executive Officer

For further information, please contact:

Andrew White
Chief Executive Officer
telephone: 866 521-3654
e-mail: andrew.white@chartechnologies.com

Item 9 Date of Report

September 15th, 2022

Schedule A



CHAR Technologies Announces \$625,000 Debt Financing

***NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES
OR FOR DISSEMINATION IN THE UNITED STATES***

TORONTO, September 8, 2022 (GLOBENEWSWIRE) -- CHAR Technologies Ltd. ("CHAR Technologies" or the "Company") (TSX Venture Exchange: YES) is pleased to announce the closing of a \$625,000 short-term unsecured debt financing (the "Financing"). The majority of the Financing (\$375,000) was provided by insiders of the Company and the remainder (\$250,000) was provided by existing shareholders. The debt has an interest rate of 1% monthly and a term of five-months. At the Company's option, the debt may be prepaid without penalty on or after the date that is one month after the date of closing.

CHAR Technologies intends to use the net proceeds of the Financing to advance the development of both contracted and earlier stage projects and for general working capital needs. The Company is pursuing additional funding for the development of various projects and believes it will soon receive funding and funding commitments for a portion of costs for its planned (500,000 GJ) showcase facility in Thorold. "We are at a very exciting juncture in our commercialization of our renewable energy technologies to produce both renewable natural gas (RNG) and biochar to provide solutions to Canadian strategic industries", stated Andrew White, CEO. "This small financing will bridge us to other sources of funding as we develop our capital structure for our future expansion" he added.

The Financing has been provided by existing shareholders, and current and former directors, executive officers, business associates and employees, some of whom are insiders of the Company. Such participation by insiders in the Financing constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). However, such participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves related parties of the Company, exceeds 25% of the Company's market capitalization. As required by MI 61-101, the Company advises that it will file a material change report relating to the Financing less than 21 days before completion of the Offering, which is reasonable in the circumstances because such lesser time period is necessary to complete the Financing in an expeditious manner.

No commissions or fees are payable in connection with the Financing. The closing of the Financing may be subject to certain conditions including, but not limited to, the receipt of any necessary approvals, including the approval of the TSX Venture Exchange and the applicable securities regulatory authorities.

This news release does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

About CHAR Technologies

CHAR Technologies Ltd. is a cleantech development and services company, specializing in 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.

For further information, please contact:

Andrew White
Chief Executive Officer
CHAR Technologies Ltd.
E: andrew.white@chartechnologies.com
T: 866 521-3654

Mark Korol
Chief Financial Officer
CHAR Technologies Ltd.
E: m.korol@chartechnologies.com

Website: www.chartechnologies.com

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.

Forward-Looking Statements

*Statements contained in this press release contain "forward-looking information" within the meaning of Canadian securities laws ("**forward-looking statements**") about CHAR and its business and operations. The words "may", "would", "will", "intend", "anticipate", "expect" and similar expressions as they relate to CHAR, are intended to identify forward-looking information. Such statements reflect CHAR's current views and intentions with respect to future events, and current information available to CHAR, and are subject to certain risks, uncertainties and assumptions, including those risk factors discussed or referred to in CHAR's disclosure documents filed with the securities regulatory authorities in certain provinces of Canada, including the Management Discussion & Analysis dated January 31, 2022 and available under CHAR's profile on www.sedar.com. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, CHAR does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and CHAR undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.*