

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1. – Name and Address of Company**

NowVertical Group Inc. (the “**Company**”)  
1 King Street West, Suite 1505  
Toronto, ON  
M5H 1A1

**Item 2. - Date of Material Change**

December 15, 2021

**Item 3. - News Release**

Attached as Schedule “A” is a copy of the press release relating to the material change, which was disseminated on December 15, 2021 through the newswire services of Cision/CNW and subsequently filed on the System for Electronic Document Analysis and Retrieval.

**Item 4. - Summary of Material Change**

On December 15, 2021, the Company announced the closing of its marketed public offering (the “**Offering**”) of 10,894,756 units of the Company (the “**Units**”) at a price of \$0.95 per Unit for gross proceeds of C\$10,350,018. This amount includes gross proceeds from the full exercise of the over-allotment option granted to the Agent (as defined below) to purchase an additional 1,421,056 Units from the Company.

The Offering was conducted on a “best efforts” basis by Echelon Wealth Partners Inc. (the “**Agent**”), as sole agent and bookrunner.

Each Unit consists of one Class A subordinate voting share of the Company (each a “**Subordinate Voting Share**”) and one-half of one Subordinate Voting Share purchase warrant (each whole warrant, a “**Warrant**” and collectively the “**Warrants**”). Each Warrant is exercisable for one Subordinate Voting Share at a price of C\$1.25 per Subordinate Voting Share for a period of 24 months following closing of the Offering. The Warrants commenced trading on the TSX Venture Exchange on December 15, 2021 under the symbol “NOW.WT”.

The Company filed a short form prospectus in respect of the Offering with the securities commissions of each of the Provinces of Canada, except Quebec, on December 7, 2021.

The Company intends to use the net proceeds of the Offering (i) to increase its sales and marketing team, (ii) to increase its finance and operations team, (iii) for product development, (iv) for general and administrative expenses, and (v) to close potential acquisitions.

**Item 5. - Full Description of Material Change**

For a full description of the material change, please see the News Release attached hereto as Schedule “A” which News Release forms an integral part of this material change report.

**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**

Daren Trousdell, Chief Executive Officer (212) 312-0868

**Item 9. – Date of Report**

December 23, 2021

**Forward-looking Information**

This report contains forward-looking statements (within the meaning of applicable securities laws) which reflect the Company's current expectations regarding future events. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts and projections and include, without limitation, statements regarding the closing of the Offering, the proposed use of proceeds from the Offering, and the future success of the Company's business.

The forward-looking statements in this report are based on certain assumptions. The forward-looking statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict (such risks include, among other things, failure to complete the Offering). A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this report and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

**SCHEDULE "A"**

**(see attached)**

*NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES*

**NOWVERTICAL GROUP INC. ANNOUNCES CLOSING OF UPSIZED PUBLIC OFFERING OF UNITS INCLUDING FULL EXERCISE OF OVER-ALLOTMENT OPTION FOR PROCEEDS OF C\$10.35M**

TORONTO, ON, December 15, 2021 - NowVertical Group Inc. (TSXV: NOW) (“**NOW**” or the “**Company**”) is pleased to announce the closing of its previously announced marketed public offering (the “**Offering**”) of 10,894,756 units of the Company (the “**Units**”) at a price of \$0.95 per Unit for gross proceeds of C\$10,350,018. This amount includes gross proceeds from the full exercise of the over-allotment option granted to the Agent (as defined below) to purchase an additional 1,421,056 Units from the Company.

The Offering was conducted on a “best efforts” basis by Echelon Wealth Partners Inc. (the “**Agent**”), as sole agent and bookrunner.

Each Unit consists of one Class A subordinate voting share of the Company (each a “**Subordinate Voting Share**”) and one-half of one Subordinate Voting Share purchase warrant (each whole warrant, a “**Warrant**” and collectively the “**Warrants**”). Each Warrant is exercisable for one Subordinate Voting Share at a price of C\$1.25 per Subordinate Voting Share for a period of 24 months following closing of the Offering. The Company has received approval from the TSX Venture Exchange (the “**TSXV**”) to list the Warrants under the symbol “NOW.WT”. The Warrants are expected to commence trading on the TSXV on the date hereof.

The Company filed a short form prospectus in respect of the Offering with the securities commissions of each of the Provinces of Canada, except Quebec, on December 7, 2021. The short form prospectus is available on SEDAR at [www.sedar.com](http://www.sedar.com).

The Company intends to use the net proceeds of the Offering (i) to increase its sales and marketing team, (ii) to increase its finance and operations team, (iii) for product development, (iv) for general and administrative expenses and (v) to close potential acquisitions.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of securities in the United States. The securities have not been and will not be registered under 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.

**About NowVertical Group Inc.**

NOW is a global big data software and services company that helps businesses win in the digital economy by helping its clients better understand, manage and utilize their data. NOW is focusing on scaling its current efforts with customers in a variety of verticals including but not limited to automotive and OEM, government, law enforcement, healthcare, financial services, e-commerce, and energy and renewables, and is pursuing an acquisition strategy focused on profitable and

accretive data analytics software and services companies in other under-utilized data rich industries. NOW is positioned to be an invaluable tool for executives and bureaucrats to make data informed decisions affecting billions of people globally. For more information about the Company, visit [www.nowvertical.com](http://www.nowvertical.com).

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This news release may contain forward-looking statements (within the meaning of applicable securities laws) which reflect the Company's current expectations regarding future events. Forward-looking statements are identified by words such as "believe", "anticipate", "project", "expect", "intend", "plan", "will", "may", "estimate" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts and projections and include, without limitation, statements regarding the proposed use of proceeds from the Offering, and the future success of the Company's business.

The forward-looking statements in this news release are based on certain assumptions. The forward-looking statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict (such risks include, among other things, failure to complete the Offering). A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, these forward-looking statements are made as of the date of this news release and, except as expressly required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

*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.*

For further information, please contact:

Daren Trousdell, Chief Executive Officer

e: [daren@nowvertical.com](mailto:daren@nowvertical.com)

t: (561) 515-9010