

FORM 51-102F3

MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

1. **Name and Address of Company**

FRNT Financial Inc. (the “Company”)
49 Wellington St E, Unit 200
Toronto, Ontario
M5E 1C9

2. **Date of Material Change**

August 1, 2025

3. **News Release**

A news release with respect to the material change referred to in this report was issued through Canada Newswire on August 5, 2025 and subsequently filed on the Company’s profile on the system for electronic document analysis and retrieval + (SEDAR+).

4. **Summary of Material Change**

On August 5, 2025, the Company announced the closing of its previously announced brokered private placement offering (the “Offering”) for aggregate gross proceeds of \$2 million on August 1, 2025.

5. **Full Description of Material Change**

On August 5, 2025, the Company announced the closing of its previously announced Offering for aggregate gross proceeds of \$2 million on August 1, 2025.

Under the terms of the Offering, the Company issued 5,000,000 common shares in the capital of the Company (“Common Shares”), at a price of \$0.40 per Common Share, for aggregate gross proceeds of \$2 million.

The Company intends to use the net proceeds from the Offering to invest in BTC treasury, additional marketing initiatives, and for working capital and general corporate purposes, as more specifically described in the Offering Document.

The Company paid certain cash finders fees and issued 81,410 finder’s warrants (the “Finder’s Warrants”) to eligible finders in respect of subscriptions for Common Shares referred by such finders. Each Finder’s Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.40 at any time on or before August 1, 2028.

The Common Shares were offered pursuant to the listed issuer financing exemption (the “**Listed Issuer Financing Exemption**”) as outlined in Part 5A of National Instrument 45-106 -- *Prospectus Exemptions* (“**NI 45-106**”). An offering document related to the portion of the Offering conducted under the Listed Issuer Financing Exemption has been filed on the Company’s profile on SEDAR+ at (www.sedarplus.com).

The Common Shares sold under the Listed Issuer Financing Exemption are not subject to a hold period in accordance with Canadian securities laws and are immediately freely tradeable, while the Finder’s Warrants and underlying securities are subject to a four-month hold period.

David Washburn, President of the Company, Alex McAulay, Chief Financial Officer of the Company and Geoff Browne, Director of the Company each participated in the Offering, purchasing 312,500 Common Shares, 37,500 Common Shares and 125,000 Common Shares, respectively, and the Offering accordingly constitutes a “related party transaction” pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Offering is exempt from (i) the formal valuation requirement of MI 61-101 pursuant to the Section 5.5(b) of MI 61-101, as the Common Shares are not listed or quoted on any of the stock exchanges or markets listed in Section 5.5(b) of MI 61-101, and (ii) the minority shareholder approval requirement of MI 61-101 pursuant to Section 5.7(1)(a) of MI 61- 101, as the fair market value of the Common Shares purchased issued does not exceed 25% of the Company’s market capitalization. A material change report was not filed by the Company at least 21 days before the closing of the Offering, as the participation of such insiders was not determined until shortly prior to closing and the Company wished to close expeditiously to confirm funds for the Offering. The Offering was approved by all of the independent directors of the Company.

Upon completion of the Offering:

- (a) Mr. Washburn owns and controls an aggregate of 955,698 Common Shares and convertible securities entitling him to acquire an additional 1,650,000 Common Shares representing approximately 2.25% of the issued and outstanding Common Shares (or approximately 5.90% calculated on a partially diluted basis, assuming the exercise of the 1,650,000 convertible securities only);
- (b) Mr. McAulay owns and controls an aggregate of 79,167 Common Shares and convertible securities entitling him to acquire an additional 520,833 Common Shares representing approximately 0.19% of the issued and outstanding Common Shares (or approximately 1.39% calculated on a partially diluted basis, assuming the exercise of the 520,833 convertible securities only); and
- (c) Mr. Browne owns and controls an aggregate of 175,000 Common Shares and convertible securities entitling him to acquire an additional 180,000 Common Shares representing approximately 0.41% of the issued and outstanding Common Shares (or approximately 0.83% calculated on a partially diluted basis, assuming

the exercise of the 180,000 convertible securities only). Mr. Browne's wife also holds 125,000 Common Shares in the Company.

6. **Reliance on Subsection 7.1(2) of National Instrument 51-102**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Executive Officer**

For further information, contact Stéphane Ouellette, the Chief Executive Officer of the Company at 1-(833)-222-3768.

9. **Date of Report**

August 6, 2025.

FORWARD-LOOKING STATEMENTS

This material change report contains "forward-looking statements" and "forward-looking information" within the meaning of applicable law which may include, without limitation, statements relating to the use of proceeds of the Offering, the receipt of final TSXV approval in respect of the Offering, the technical, financial and business prospects of the Company, its assets and other matters. Generally, forward-looking statements and forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". All forward-looking statements and forward-looking information are based on reasonable assumptions that have been made by the Company as at the date of such information. Forward-looking statements and forward-looking information are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements and forward-looking information, including but not limited to: the general risks associated with the speculative nature of the Company's business, current global financial conditions, uncertainty of additional capital, price volatility, no history of earnings, government regulation in the industries in which the Company operates, political and economic risk, absence of public trading market, arbitrary offering price, dilution to the Common Shares, dependence on key personnel, currency fluctuations, insurance and uninsured risks, competition, legal proceedings, conflicts of interest and lack of dividends. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements and forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There

can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. The Company does not undertake to update any forward-looking statement or forward-looking information that is included herein, except in accordance with applicable securities laws.