

FORM 51-102F3
Material Change Report

1. Name and Address of Company:

Penbar Capital Ltd.
Suite 2550-1055 West Hastings Street
Vancouver, B.C. V6E 2E9

2. Date of Material Change:

January 27, 2022

3. News Release:

The news release with respect to the material change was disseminated through Newsfile on January 27, 2022 and filed on the SEDAR website at www.sedar.com.

4. Summary of Material Change:

Penbar Capital Ltd. completes initial public offering.

5. Full Description of Material Change:

5.1 Full Description of Material Change

On January 27, 2022, the Company completed its initial public offering by issuing 2,000,000 common shares at a price of \$0.10 per share for gross proceeds of \$200,000.

Canaccord Genuity Corp. acted as agent for the initial public offering and received a cash commission equal to 10% of the gross proceeds, as well as an administration fee and options to purchase 200,000 common shares at a price of \$0.10 per share for a period of 36 months from the date that the common shares of the Company begin trading on the TSX Venture Exchange.

The Company also granted to its directors and officers incentive stock options to acquire 400,000 common shares at a price of \$0.10 per share, exercisable for a period of ten years from the date that the common shares of the Company begin trading on the TSX Venture Exchange.

5.2 Disclosure of Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not Applicable

7. Omitted Information:

Not Applicable

8. Executive Officer:

Queenie Kuang
1055 West Hastings Street, Suite 2250
Vancouver, British Columbia V6E 2E9
Telephone: (604) 688-9588

9. Date of Report:

January 27, 2022