

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

1. Name and Address of Company

Vertiqal Studios Corp. (the “**Company**”)
117 Peter Street, Unit 301
Toronto, Ontario M5V 0M3

2. Date of Material Change

October 31, 2025

3. News Release

A press release disclosing the material change was released on November 3, 2025, through the facilities of Newsfile Corp.

4. Summary of Material Change

On October 31, 2025, the Company closed its non-brokered private placement through the issuance of 2,298 unsecured convertible debentures (each, a “**Debenture**”) at a price of \$1,000 per Debenture for aggregate gross proceeds of \$2,298,000 (the “**Offering**”).

5. Full Description of Material Change

On October 31, 2025, the Company closed its non-brokered private placement through the issuance of 2,298 unsecured convertible debentures at a price of \$1,000 per Debenture for aggregate gross proceeds of \$2,298,000.

The issuance of the Debentures pursuant to the Offering was (and, if applicable, the underlying common shares of the Company (“**Common Shares**”) upon conversion of the Debentures shall be) completed on a private placement and prospectus exempt basis, as applicable, such that the issuances are (or in the case of any underlying Common Shares, shall be) exempt from any applicable prospectus and securities registration requirements.

The Debentures will mature on October 31, 2027 (the “**Maturity Date**”) and will bear interest at an interest rate of fifteen percent (15%) per annum, payable on the Maturity Date in arrears.

At any time from and including the date that is eighteen months prior to the Maturity Date and up to the close of business on the last business day immediately preceding the Maturity Date, holders of Debentures have the right, at the holder’s option, to convert into Common Shares all or a portion of: (A) the principal amount outstanding under the Debentures at \$0.025 per Common Share (the “**Conversion Price**”); or (B) the accrued but unpaid interest under the Debentures at the greater of: (i) the Conversion Price; or (ii) the volume weighted average trading price of the Common Shares on the Toronto Stock Exchange for the five business days preceding the date of conversion, less applicable discounts in accordance with the policies of the Exchange, subject to adjustments.

Closing of the Offering is subject to receipt of all necessary corporate and regulatory approvals, including the approval of the Toronto Stock Exchange. All securities issued in connection with the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable securities legislation.

The Offering constituted a “related party transaction” as such term is defined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transaction* (“**MI 61-101**”) as an insider of the Company, subscribed for an aggregate of 763 Debentures pursuant to the Offering. 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 Debentures acquired by the Insiders, nor the consideration for the Debentures paid by the Insiders, exceed 25% of the Company’s market capitalization. The Company did not file a material change report relating to the Offering less than 21 days before completion of the Offering, as it was not possible to do so in order to complete the Offering in an expeditious manner.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

(a) a description of the transaction and its material terms:

In connection with the Offering, \$763,000 principal amount of Debentures were issued to Insiders of the Company.

(b) the purpose and business reasons for the transaction:

Gross proceeds raised from the Offering will be used for general working capital purposes.

(c) the anticipated effect of the transaction on the issuer's business and affairs:

Gross proceeds raised from the Offering will be used for general working capital purposes.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

In connection with the Offering, the following Insiders subscribed for Debentures:

Insider	Number of Debentures Acquired	Purchase Price (\$)
Trevor Aune	25	\$25,000.00
The Aune Foundation ⁽¹⁾	600	\$600,000.00
Maximilien Desmarais	138	\$138,000.00
TOTAL:	763	\$763,000.00

Note:

⁽¹⁾ Beneficially owned by Mr. Trevor Aune.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

Immediately prior to the completion of the Offering, Trevor Aune beneficially owned or controlled 35,499,400 Common Shares, representing approximately 5.00% of the issued and outstanding Common Shares on an undiluted basis. In addition, he held \$500,000 principal amount of unsecured 15% debentures issued on November 3, 2022, \$1,000,000 principal amount of unsecured 15% convertible debentures issued on June 27, 2024, and \$750,000 principal amount of unsecured 15% debentures issued on May 1, 2025. Assuming conversion of the foregoing debentures at a conversion price of \$0.025 per share (and excluding any interest), Mr. Aune would own or control approximately 15.70% of the Common Shares on a partially diluted basis.

Upon closing of the Offering, Trevor Aune beneficially owns or controls 35,499,400 Common Shares, representing approximately 5.00% of the issued and outstanding Common Shares on an undiluted basis. In addition, he holds \$500,000 principal amount of unsecured 15% debentures issued on November 3, 2022, \$1,000,000 principal amount of unsecured 15% convertible debentures issued on June 27, 2024, \$750,000 principal amount of unsecured 15% debentures issued on May 1, 2025, and \$625,000 principal amount of unsecured 15% debentures issued as part of the Offering. Assuming conversion of the foregoing debentures at a conversion price of \$0.025 per share (and excluding any interest), Mr. Aune would own or control approximately 18.25% of the Common Shares on a partially diluted basis.

Immediately prior to the completion of the Offering, Maximilien Desmarais beneficially owned or controlled 37,541,000 Common Shares, representing approximately 5.29% of

the issued and outstanding Common Shares on an undiluted basis. In addition, he held \$1,363,000 principal amount of secured 12% convertible debentures issued on November 3, 2022 (principal and interest), 1,100,000 stock options, and 15,136,300 warrants. Assuming conversion of the principal amount of the foregoing debentures at a conversion price of \$0.025 per share (excluding any interest) and exercise of his options and warrants, Mr. Desmarais would own or control approximately 13.88% of the Common Shares on a partially diluted basis.

Upon closing of the Offering, Maximilien Desmarais beneficially owns or controls 37,541,000 Common Shares, representing approximately 5.29% of the issued and outstanding Common Shares on an undiluted basis. In addition, he holds \$1,363,000 principal amount of secured 12% convertible debentures issued on November 3, 2022 (principal and interest), 1,100,000 stock options, 15,136,300 warrants, and \$138,000 principal amount of unsecured 15% debentures issued as part of the Offering. Assuming conversion of the principal amount of the foregoing debentures at a conversion price of \$0.025 per share (excluding any interest) and exercise of his options and warrants, Mr. Desmarais would own or control approximately 14.48% of the Common Shares on a partially diluted basis.

- (e) **unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

A resolution of the board of directors was passed on October 29, 2025, approving the Offering. No special committee was established in connection with the Offering, and no materially contrary view or abstention was expressed or made by any director.

- (f) **A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

- (g) **disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

- (i) **that has been made in the 24 months before the date of the material change report:**

Not applicable.

- (ii) **the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

- (h) **the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than the subscription agreements for the Offering, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

- (i) **disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

Certain directors of the Company participated in the Offering, which constitutes a “related party transaction” as defined under MI 61-101. Such related party transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of securities being issued to the related parties nor the consideration being paid by the related parties exceed 25% of the Company's market capitalization. The participants in the Offering and the extent of such participation were not finalized until shortly prior to the completion of the Offering. Accordingly, it was not possible to publicly disclose details of the nature and extent of related party participation in the Offering pursuant to a material change report filed at least 21 days prior to the completion of the Offering.

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

The report is not being filed on a confidential basis.

7. Omitted Information

No significant facts have been omitted from this Material Change Report.

8. Executive Officer

For further information, contact Jon Dwyer, Chairman and Chief Executive Officer of the Company at (416) 627-8868.

9. Date of Report

This report is dated at Toronto, this 10th day of November, 2025.