

FORM 51-102F3
Material Change Report

Item 1 Name and Address of Company

VIQ Solutions Inc. (“**VIQ**”)
5915 Airport Road, Suite 700
Mississauga, Ontario
L4V 1T1

Item 2 Date of Material Change

November 28, 2018

Item 3 News Release

A news release concerning the material change described herein was disseminated on November 28, 2018 through GlobeNewswire, Inc. A copy of the news release is attached hereto as Schedule A.

Item 4 Summary of Material Change

VIQ announced that it has acquired Net Transcripts, Inc. a leading provider of secure multi-speaker documentation services to law enforcement and criminal justice organizations. As was announced in a press release dated November 9, 2018, VIQ funded the purchase price of this acquisition through a combination of the funds raised from its convertible debenture private placement (the “**Private Placement**”) and a drawdown of debt capital pursuant to a USD\$11.5M debt facility (the “**Debt Facility**”) entered into on November 28, 2018 with Crown Capital Partner Funding LP (“**Crown**”).

The definitive terms of the Debt Facility with Crown are as follows: Up to USD\$11.5M is to be utilized and drawn upon for strategic acquisitions. 9 million common share purchase warrants (“**Crown Warrants**”) were issued by VIQ to Crown in connection with the closing of the Debt Facility. Each Crown Warrant will be exercisable into one common share (the “**Shares**”) in the capital of the Company at a price per Share equal to CAD\$0.162 for a period of five years following closing of the Debt Facility. In addition, the Company issued to Crown 2,127,659 Shares at a deemed price of \$0.141 per Share, which is equal to the 20-day volume weighted trading price of the Shares on the trading day immediately prior to the closing date. Pursuant to the Private Placement, the Company issued approximately USD\$6M worth of convertible debentures (the “**Convertible Debentures**”) and issued common share purchase warrants (“the **Warrants**”). Each Warrant is exercisable to acquire one Share at an exercise price of CAD\$0.162 for a period of two years from closing of the Private Placement.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please refer to Schedule A for details.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Susan Sumner
Chief Operating Officer
Tel: (905) 948-8266
E-mail: ssumner@viqsolutions.com

Item 9 Date of Report

December 10, 2018



Gain the value in your digital media.

VIQ Solutions Announces Acquisition of Leading Law Enforcement and Criminal Justice Secure Documentation Solutions Company

Accretive acquisition strengthens artificial intelligence assisted transcription and secure workflow solutions

TORONTO, Nov. 28, 2018 -- VIQ Solutions Inc. (“**VIQ**” or the “**Company**”) (TSX Venture Exchange: VQS), a global expert providing cyber-secure AI technology and service, announced today that it has acquired Net Transcripts, Inc. of Phoenix, Arizona (“**Net Transcripts**”), a leading provider of secure multi-speaker documentation services to law enforcement and criminal justice organizations.

Key highlights of the transaction include (all amounts in USD):

- Adds \$6.8 million in annualized recurring profitable revenue;
- Adds more than 350 law enforcement active clients in approximately 47 States and the District of Columbia covering police departments, sheriff’s offices, family protective services, district attorneys, public defenders and correctional services;
- Extends VIQ’s presence into a \$6 billion market for multi-speaker transcription and evidence-based documentation in the USA;
- Adds approximately 3.5 million minutes a year of secure multi-speaker video and audio content;
- Offers significant cross-selling opportunities across combined client base with true end-to-end solutions, including highly secured multi-speaker digital recording, transcription workflow, artificial intelligence and mobile applications including FEDRAMP, CJIS and FIPS-200 compliant;
- Enhances growth and margin expansion opportunities with greater scale;
- Expect immediately accretive operating margins and earnings per share, excluding customary acquisition-related expenses.

As announced in the Company’s press release dated November 9, 2018, VIQ has entered into non-binding letters of intent (“**LOIs**”) with certain companies in the USA that it is currently in ongoing discussions to acquire, subject to ongoing due diligence.

“The acquisition of Net Transcripts, a market and trusted leader in law enforcement, is a substantial milestone in VIQ’s growth strategy to expand our portfolio of services, opening up a significant and growing market in the USA. This highly fragmented market is undergoing major disruption due to artificial intelligence, which is encouraging customers to look at innovative ways to unlock the value in their digital media,” said Sebastien Paré, VIQ President and CEO.

“Specifically, this transaction broadens VIQ’s strong market position in North America while providing the opportunity to increase the scale of our offering and serve a highly specialized group of public safety clients. These clients are experiencing unprecedented growth in the volume of digital video and audio being collected for evidence from mobile apps, drones, dash cams, body cameras, and interrogation interviews,” added Mr. Paré.

“The combined organization will benefit from leveraging the outstanding reputation of each company as we continue to deliver exceptional service addressing our clients’ transcription and technology modernization challenges. We are pleased and excited to have Net Transcripts join our group of companies, soon to be powered by VIQ technology.”

“Net Transcripts has more than thirty years’ experience and understands security, confidentiality, multi-speaker evidence and chain-of-custody,” states Gary Nudd, CEO of Net Transcripts, Inc. “Integrating VIQ’s secure technologies and artificial intelligence services will deliver significant new value and efficiencies to our customers while enhancing our financial bottom-line as we continue to scale and grow our brand in the industry. We wanted to become part of a leading organization that values what we do, has a true proven end-to-end solution for our industry and provides growth opportunities for our customers and our employees.”

“Adding the targeted professional customer base of Net Transcripts to VIQ’s international expertise and secure market-specific technologies and secure cloud services will significantly grow our commitment within the justice market,” said Susan Sumner, Chief Operating Officer of VIQ. “Together we will offer customers tremendous new value and address cost efficiencies.”

The all-cash transaction is valued at USD\$6.8 million. Net Transcripts is a profitable company and, excluding customary acquisition-related expenses, the transaction is expected to be immediately accretive to VIQ’s operating margin and earnings per share.

As was announced in a press release dated November 9, 2018, VIQ funded the purchase price of this acquisition through a combination of the funds raised from its convertible debenture private placement (the “**Private Placement**”) and a drawdown of debt capital pursuant to a USD\$11.5M debt facility (the “**Debt Facility**”) entered into on November 28, 2018 with Crown Capital Partner Funding LP (“Crown”).

The definitive terms of the Debt Facility with Crown are as follows: Up to USD\$11.5M is to be utilized and drawn upon for strategic acquisitions. 9 million common share purchase warrants (“**Crown Warrants**”) were issued by VIQ to Crown in connection with the closing of the Debt Facility. Each Crown Warrant will be exercisable into one common share (the “**Shares**”) in the capital of the Company at a price per Share equal to CAD\$0.162 for a period of five years following closing of the Debt Facility. In addition, the Company issued to Crown 2,127,659 Shares at a deemed price of \$0.141 per Share, which is equal to the 20-day volume weighted trading price of the Shares on the trading day immediately prior to the closing date.

Pursuant to the Private Placement, the Company issued approximately USD\$6M worth of convertible debentures (the “**Convertible Debentures**”) and issued common share purchase warrants (“the **Warrants**”). Each Warrant is exercisable to acquire one Share at an exercise price of CAD\$0.162 for a period of two years from closing of the Private Placement.

Conference call to Discuss Acquisition and Growth Strategy

The Company will hold a conference call to discuss this transaction. The call will consist of a brief update by VIQ President and CEO Sebastien Paré, followed by a question period. For interested parties wishing to participate in the conference call, the details are below.

- DATE: Tuesday, December 11, 2018
- TIME: 16:00 ET (please dial in five to ten minutes prior to the scheduled start time)
- NUMBER TO DIAL:
 - 1 (855) 223-2840 within North America
 - 1 (647) 788-4945 outside of North America
- CONFERENCE ID: 2358556

A telephone replay will be available beginning on December 11, at 18:45 ET. To access the replay, please dial in 1-855-859-2056 and follow the prompt with the passcode number 2358556.

For further information: Nabbeela Dewji, Marketing Manager, VIQ Solutions, (905) 948-8266 ext. 214, email: ndewji@viqsolutions.com and Susan Sumner, COO VIQ Solutions, (905) 948-8266.

For more information about VIQ, please visit viqsolutions.com.

About VIQ Solutions Inc.

VIQ Solutions is a global expert in video capture software and audio recording with voice-to-text capabilities. VIQ provides a cyber-secure AI technology and service platform to law enforcement, immigration, medical, legal, insurance, courts, and transcription service providers, enabling them to unlock the value of their enterprise digital media and streamline their document-creation workflow, using artificial intelligence tools for measurable business gains.

Forward-looking Statements

Certain statements included in this news release constitute forward-looking statements or forward-looking information under applicable securities legislation. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes. Forward-looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking statements or information in this news release include, but are not limited to, management's targets for the Company's growth in 2018, as well as the size, scope, and timing of the implementation of projects currently in the pilot phase.

Forward-looking statements or information is based on several factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect. Although VIQ believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because VIQ can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this news release, assumptions have been made regarding, among other things, the Company's recent acquisition, and that sales and prospects may provide incremental value for shareholders. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions that have been used.

Forward-looking statements or information are based on current expectations, estimates and projections that involve several risks and uncertainties which could cause actual results to differ materially from those anticipated by VIQ and described in the forward-looking statements or information. These risks and uncertainties may cause actual results to differ materially from the forward-looking statements or information. Readers are cautioned that the foregoing list is not exhaustive of all possible risks and uncertainties.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.