

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. **NAME AND ADDRESS OF COMPANY**

Edgewater Wireless Systems Inc.
11 Hines Road, Suite 202
Kanata, ON K2K 2X1

2. **DATE OF MATERIAL CHANGE**

December 31, 2024

3. **NEWS RELEASE**

News release dated December 31, 2024 was disseminated via Business Wire and filed on SEDAR+

4. **SUMMARY OF MATERIAL CHANGE**

Edgewater announces closing of non-brokered private placement

5. **FULL DESCRIPTION OF MATERIAL CHANGE**

Edgewater Wireless Systems Inc. (the “Company”) announced the closing of its previously announced non-brokered private placement (the “Private Placement”). Pursuant to the Private Placement, the Company issued a total of 38,300,000 units (the “Units”) at a price of \$0.05 per unit for gross proceeds of \$1,915,000. Please see the Company’s news releases dated December 6, 2024, December 13, 2024, and December 16, 2024.

Each Unit consists of one common share in the capital of the Company (a “Common Share”) and one common share purchase warrant (a “Warrant”). Each Warrant is exercisable for two years from the date of issuance and entitles the holder to purchase one additional Common Share at an exercise price of \$0.08.

The Company intends to use the net proceeds of the Private Placement for product commercialization and general working capital. Depending on the development of its business, the Company may reallocate the proceeds from the Private Placement as needed.

In connection with closing of the Private Placement, the Company paid cash finder’s fees totaling \$17,150, issued 1,533,000 Common Shares, and issued an aggregate of 2,314,000 finder’s warrants to certain finders. Each finder’s warrant is exercisable for two years from the date of issuance and entitles the holder to purchase one additional Common Share at an exercise price of \$0.08.

All securities issued in connection with the Private Placement are subject to a statutory hold period of four months from the date of issuance in accordance with applicable securities legislation and the policies of the TSX Venture Exchange.

The securities issued pursuant to the Private Placement have not been registered under the U.S. Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration or an exemption from the registration requirements.

Pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) the Company advises that certain directors and officers of the Company participated in the Private Placement for aggregate proceeds of \$150,000 and are considered to be “related parties” of the Company. Each subscription by a “related party” of the Company is considered to be a “related party transaction” for purposes of MI 61-101 and TSXV Policy 5.9 *Protection of Minority Security Holders in Special Transactions*. The Company is relying on the exemptions from the formal valuation requirements contained in section 5.5(a) of MI 61-101 and the minority shareholder

approval requirements contained in section 5.7(1)(a) of MI 61-101 as the fair market value of the related parties' participation is not more than 25% of the Company's market capitalization.

6. **RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102**

Not applicable.

7. **OMITTED INFORMATION**

Not applicable.

8. **EXECUTIVE OFFICER**

Andrew Skafel, President and CEO
E: andrews@edgewaterwireless.com
T: +1 613-271-3710

9. **DATE OF REPORT**

December 31, 2024