

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Hank Payments Corp. (the "**Company**" or "**Hank**")
66 Wellington Street West, Suite 4100
P.O. Box 35 TD Bank Tower
Toronto, ON M5K 1B7

Item 2. Date of Material Change

June 15, 2023

Item 3. News Release

Press release issued by the Company on June 15, 2023 in respect to the material change referred to in this report via a Canadian news wire service, a copy of which has been filed via SEDAR.

Item 4. Summary of Material Change

Item 5. Hank Payments Corp. ("Hank" or the "Company") (TSXV: HANK), Hank is pleased to announce that due to additional demand from its financing that closed in April 2023, it has closed an additional non-brokered private placement of 500 units ("Unit") for total gross proceeds of \$500,000 (the "Offering").

Item 6. Full Description of Material Change

On June 15, 2023, the Company announce it has closed a non-brokered private placement financing of 500 units, ("Unit") for total gross proceeds of \$500,000 (the "Offering").

Each Unit consists of one \$1,000 secured convertible debenture ("**Debentures**") and 3,333 common share purchase warrants ("**Warrant**"). The Debentures mature on and become payable on June 15, 2028, (the "**Term**") and bear interest at a fixed rate of 10% per annum, payable in arrears semi-annually in cash on December 31 and June 30 of each year. The Debentures are secured by the assets of the Company through a general security agreement and rank equally with all other Debentures. At any time during the Term, a holder of Debentures may elect to convert the outstanding net principal amount, or any portion thereof, into common shares at a conversion price of \$0.085 per share during the first year and \$0.10 per share thereafter (the "**Conversion Price**"). The Company may force the conversion of the principal amount of the then outstanding Debentures at any time at the Conversion Price on not less than 5 days' notice if the volume weighted average trading price of the common shares on the TSX Venture Exchange (the "**TSXV**") for any 10 consecutive trading day period is equal to or greater than \$0.35. Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.10 per common share until June 15, 2025.

The proceeds from the Offering will principally be to expand the Company's portfolio of clients and for general working capital. All securities issued pursuant to the Offering are subject to a statutory hold period ending October 16, 2023. The Offering is subject to TSX Venture Exchange acceptance of regulatory filings.

The issuance of the Convertible Debentures and the Warrants pursuant to the Offering were (and, if applicable, any underlying common shares and Warrants shall be) completed on a private placement and prospectus exempt basis, as applicable, such that the issuances are (or in the case of the Units and any underlying common shares and Warrants, shall be) exempt from any applicable prospectus and securities registration requirements.

All securities issued pursuant to the Offering are subject to a statutory hold period ending October 16, 2023. The Offering is subject to TSX Venture Exchange acceptance of regulatory filings. The securities offered pursuant to the Offering have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Item 7. Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item 8. Omitted Information

No information has been omitted from this material change report.

Item 9. Executive Officer

The following senior officer of Hank Payments Corp. is knowledgeable about the material change and the Report and may be contacted as follows:

Michael Hilmer, CEO
Telephone: 416 420-5529

Item 10. Date of Report

June 16, 2023