

**NOTICE OF CHANGE IN CORPORATE STRUCTURE**  
**Pursuant to Section 4.9 of National Instrument 51-102**  
**Continuous Disclosure Obligations**

**Item 1 Name of the Parties to the Transaction**

The following corporate entities were parties to the Transaction (as defined below):

- (a) Black Swan Graphene Inc. (formerly, Dragonfly Capital Corp.) (the “**Company**”), a company existing under the laws of British Columbia; and
- (b) Black Swan Operations Inc. (formerly, Black Swan Graphene Inc.) (“**Black Swan**”), a company existing under the laws of Ontario.

The Transaction is accounted for as a reverse takeover. Black Swan is considered the “reverse take-over acquirer”, as defined in National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”), and the Company is considered the “reverse take-over acquiree”, as defined in NI 51-102.

**Item 2 Description of the Transaction**

On August 2, 2022 the Company completed its qualifying transaction with Black Swan, pursuant to which the Company acquired all of the issued and outstanding shares of Black Swan in accordance with a share exchange agreement dated January 17, 2022, as amended on April 21, 2022 and June 16, 2022, between the Company, Black Swan and the shareholders of Black Swan (the “**Transaction**”).

The common shares of the Company previously traded on the NEX board of the TSX Venture Exchange (“**TSXV**”) as a Capital Pool Company under the symbol “DRC.H”. Following the Transaction, the common shares of the Company commenced trading on the TSXV under the symbol “SWAN” upon the open of market trading on August 9, 2022.

In connection with the Transaction, among other things:

- 1. the Company changed its name from “Dragonfly Capital Corp.” to “Black Swan Graphene Inc.”;
- 2. the Company acquired all issued and outstanding common shares of Black Swan in exchange for 210,230,349 common shares in the capital of the Company at a deemed issue price of \$0.15 per share;
- 3. all outstanding incentive stock options of Black Swan (the “**Black Swan Options**”) were cancelled and as consideration for the cancellation of the Black Swan Options the Company:
  - a. granted an aggregate of 15,175,000 options (the “**New Options**”), with such New Options being exercisable into one common share of the Company as follows: 2,175,000 New Options at an exercise price of \$0.15 until November 12, 2026 and 13,000,000 New Options at an exercise price of \$0.15 until October 25, 2031; and

- b. adopted an omnibus equity incentive plan and granted an aggregate of 7,875,000 restricted share units, with each restricted share unit redeemable upon vesting to acquire one common share of the Company;
4. the Company completed a non-brokered private placement of 46,669,665 subscription receipts (the “**Subscription Receipts**”) at a price of \$0.15 per Subscription Receipt for aggregate gross proceeds of \$7,000,449.75. Each Subscription Receipt was converted into one common share of the Company upon the completion of the Transaction;
5. the Company reconstituted its board of directors and management; and
6. Black Swan became a wholly-owned subsidiary of the Company, and changed its name from “Black Swan Graphene Inc.” to “Black Swan Operations Inc.”.

**Item 3      Effective Date of Transaction**

August 2, 2022.

**Item 4      Name of Each Party, if any, that Ceased to be a Reporting Issuer After the Transaction and of each Continuing Entity**

No entity ceased to be a reporting issuer as a result of the Transaction.

**Continuing Entities**

Subsequent to the completion of the Transaction, the Company continues to be a reporting issuer in the provinces of British Columbia and Alberta. The Company has applied to become a reporting issuer in the province of Ontario. Black Swan was not a reporting issuer prior to the Transaction.

**Item 5      Date of the Issuer’s First Financial Year-End Subsequent to the Transaction**

The financial year-end of the Company prior to the Transaction was April 30. The Company’s first financial year-end subsequent to the Transaction will be December 31, as the Company has adopted the financial year end of Black Swan.

**Item 6      Periods, including comparative periods, if any, of the Interim Financial Reports and the Annual Financial Statements Required to be Filed for the Reporting Issuer’s First Financial Year Subsequent to the Transaction**

The Company is required to file the following interim and annual financial statements for the first financial year subsequent to the Transaction:

- (a) Interim financial statements for the six months ended June 30, 2022 compared to the six months ended June 30, 2021;
- (b) Interim financial statements for the nine months ended September 30, 2022 compared to the nine months September 30, 2021; and

- (c) Annual financial statements for the year ended December 31, 2022 compared to the year ended December 31, 2021.

In addition, pursuant to NI 51-102 the Company is required to file interim and annual financial statements of the reverse takeover acquiree for the following periods that ended before the date of the Transaction:

- (i) Annual financial statements for the year ended April 30, 2022 compared to the year ended April 30, 2021; and
- (ii) Interim financial statements for the three months ended July 31, 2022 compared to the three months ended July 31, 2021.

## **Item 7**

### **Documents filed under NI 51-102 that described the Transaction**

- (a) Material Change Report dated August 5, 2022 and filed on SEDAR on August 5, 2022;
- (b) News Release dated August 2, 2022 and filed on SEDAR on August 3, 2022;
- (c) Certificate of Change of Name dated August 2, 2022 and filed on SEDAR on August 3, 2022;
- (d) Filing Statement of the Company dated July 29, 2022 and filed on SEDAR on July 29, 2022;
- (e) News Release dated July 26, 2022 and filed on SEDAR on July 26, 2022;
- (f) Material Change Report dated July 22, 2022 and filed on SEDAR on July 22, 2022;
- (g) News Release dated July 22, 2022 and filed on SEDAR on July 22, 2022;
- (h) News Release dated April 26, 2022 and filed on SEDAR on April 26, 2022;
- (i) Material Change Report dated March 14, 2022 and filed on SEDAR on March 14, 2022;
- (j) News Release dated March 14, 2022 and filed on SEDAR on March 14, 2022;
- (k) Material Change Report dated January 27, 2022 and filed on SEDAR on January 27, 2022;
- (l) News Release dated January 27, 2022 and filed on SEDAR on January 27, 2022;
- (m) Material Change Report dated December 17, 2021 and filed on SEDAR on December 17, 2021; and

- (n) News Release dated December 16, 2021 and filed on SEDAR on December 16, 2021.

**Item 8**

**Date of Notice**

August 26, 2022.