

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

Cover Technologies Inc. (the "Company")
Suite 810 – 789 West Pender Street
Vancouver, BC V6C 1H2

Item 2 Date of Material Change

February 26, 2021

Item 3 News Release

The news releases was disseminated through Stockwatch on February 26, 2021 and subsequently filed on SEDAR and posted to the Company's disclosure hall with the CSE.

Item 4 Summary of Material Change

The Company closed an oversubscribed private placement.

Item 5 Full Description of Material Change

Item 5.1 Full Description of Material Change

The Company closed and increased its non-brokered private placement previously announced on February 12, 2021 (the "Placement"). Due to increased demand, the Placement was increased to 18,113,207 units (the "Units") at a price of \$0.265 per Unit, for gross proceeds of \$4,799,999.86.

Each Unit will consist of one common share in the capital of the Company (each a "Share") and one share purchase warrant (each a "Warrant"). Each Warrant will entitle the holder to acquire one additional Share at a price of CDN \$0.75 per Warrant for a period of two years from the applicable closing date, subject to an accelerated expiry provision described herein. If on any 10 consecutive trading days occurring after four months and one day has elapsed following the final closing date of the Placement, the closing price of the Shares as quoted on the Canadian Securities Exchange (the "CSE") (or such other exchange on which the Shares may be traded at such time) is greater than CDN \$1.00 per Share, Cover may provide notice in writing to the holders of the Warrants by issuance of a news release that the expiry date of the Warrants will be accelerated to the 30th day after the date on which Cover issues such news release.

Finder's fees were paid in connection with the Placement to arm's length finders (the "Finders") that consisted of cash commission in the total amount of \$294,041.99. In addition, an aggregate of 528,194 Shares and 602,398 Warrants (the "Broker Warrants") have been issued to the Finders. The terms of the Broker Warrants are identical to the terms of the Units.

Proceeds from the Placement are intended to be used to advance the Company's existing technology research & development projects, to expand the scope of its technology development to include online technology applications, and for general & administrative working capital. Although the Company intends to use the proceeds of the Placement as described above, the actual allocation of proceeds may vary from the uses set out above depending on future operations, events or opportunities.

The Shares and Warrants comprising the Units issued pursuant to the Placement will be subject to a statutory four month and one day hold period from the date of issue in accordance with applicable Canadian securities laws. None of the Units will be registered under the United States Securities Act of 1933, as amended, and none may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities of the Company, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Item 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

Tony Louie, Chief Executive Officer
Telephone: 778-800-9533

Item 9 Date of Report

February 26, 2021