

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. NAME AND ADDRESS OF COMPANY

Edgewater Wireless Systems Inc.
408 Churchill Avenue North
Ottawa, Ontario
K1Z 5C6

2. DATE OF MATERIAL CHANGE

March 30, 2021

3. NEWS RELEASE

News release dated March 30, 2021 was disseminated through the facilities of Stockwatch and Market News Publishing Inc.

4. SUMMARY OF MATERIAL CHANGE

Edgewater announced closing of the first tranche \$0.115 financing and announced an increase to the \$0.13 financing.

5. FULL DESCRIPTION OF MATERIAL CHANGE

Edgewater Wireless Systems Inc. (the "Company"), the industry leader in Wi-Fi Spectrum Slicing technology for residential and commercial markets, is pleased to announce that the first tranche of its non-brokered private placement announced on March 12, 2021 (the "Offering") has closed. In the first tranche closing the Company issued 6,316,405 units (each a "Unit") for total proceeds of \$726,387. Each Unit is comprised of one common share and one warrant of the Company (each a "Warrant"). Each Warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.23 for twenty-four (24) months following the closing of the Offering.

It is anticipated that the second tranche of the Offering, for aggregate proceeds of approximately \$75,000, will close on April 1, 2021.

The Company also anticipates closing its additional offering of units (the "Secondary Units") at a price of \$0.13 per Secondary Unit (the "Secondary Offering") on April 1, 2021. Due to exceptional demand, the Secondary Offering has been increased from the 10,153,847 Secondary Units announced in the Company's news release dated March 18, 2021 [9,230,770 Secondary Units plus a 10% (923,077 unit) over-allotment option] to up to 11,000,000 Secondary Units for aggregate gross proceeds of up to \$1,430,000. Each Secondary Unit is comprised of one common share and one warrant of the Company (each a "Secondary Warrant"). Each Secondary Warrant entitles the holder to acquire one additional common share of the Company at a price of \$0.23 for twenty-four (24) months following the closing of the Secondary Offering.

Finder's fees of 7% of the gross proceeds of the Offering and Secondary Offering may be payable in cash. In addition, finders may receive share purchase warrants (the "Finder's Warrants") entitling them to purchase that number of common shares of the Company which is equal to 7% of the total number of Units and Secondary Units purchased by subscribers

introduced to the Company by such finders, exercisable for two years from the closing of the Offering or Secondary Offering, as applicable, at a price of \$0.23 per common share, all in accordance with the policies of the TSXV.

In connection with the closing of the first tranche of the Offering, the Company will pay cash finders' fees in the aggregate of \$33,563 as follows: \$23,905 to Haywood Securities Inc. / \$2,012 to Leede Jones Gable Inc. / \$644 to Canaccord Genuity Corp. / \$7,002 to Granger Cumberland. In addition, the Company will issue 291,854 Finders' Warrants as follows: 207,869 to Haywood Securities Inc. / 17,500 to Leede Jones Gable Inc. / 5,600 to Canaccord Genuity Corp. / 60,885 to Granger Cumberland.

The common shares issued in connection with the first tranche of the Offering and any common shares purchased on the exercise of the attached Warrants will be subject to a four-month hold period expiring July 31, 2021. The common shares issued in connection with the second tranche of the Offering and the common shares issued in connection with the Secondary Offering, and any common shares purchased on the exercise of the attached Warrants or Secondary Warrants, as applicable, will be subject to a four-month hold period from the closing of the Secondary Offering.

The Offering and Secondary Offering are subject to TSXV acceptance. It is intended that the proceeds of \$2,230,000 from the Offering and the Secondary Offering will be used for: Operating Expenses, including sales, marketing and business development (\$446,000); Engineering and Product Development (\$1,226,500) and Working Capital (\$557,500). The Company may reallocate the proceeds from the Offering as may be required depending upon the development of the Company's business.

In connection with the Offering and the Secondary Offering, the Company will issue Units and Secondary Units to directors, officers and insiders of the Company. As a result, the Offering and Secondary Offering will constitute a related party transaction pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 ("MI 61-101"). The Company has determined that exemptions from the various requirements of TSX Venture Exchange Policy 5.9 and MI 61-101 are available for the issuance of the Units and Secondary Units to related parties. The Company is relying on Section 5.5(c) of MI 61-101 for an exemption from the formal valuation requirement on the basis that the transaction is a distribution of securities for cash, and on Section 5.7(1)(b) of MI 61-101 for an exemption from the minority shareholder approval requirement, as the fair market value of the transaction, insofar as it involves related parties, will not be more than \$2,500,000.

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

Not applicable.

7. OMITTED INFORMATION

Not applicable.

8. EXECUTIVE OFFICER

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9. DATE OF REPORT

April 9, 2021