

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Eguana Technologies Inc. (the “Company”)
Unit 3, 6143 4th Street SE, Calgary, Alberta T2H 2H9

Item 2 Date of Material Change

February 8, 2021

Item 3 News Release

A news release was issued by the Company on February 8, 2021 through the newswire services of GLOBE NEWSWIRE and was filed under the Company’s profile on the System for Electronic Document Analysis and Retrieval.

Item 4 Summary of Material Change

The Company has announced that it intends to raise up to \$20,000,000 by way of a private placement on a “best efforts”, agency basis (the “Offering”). The Offering is being led by Stifel GMP and Cormark Securities Inc., as co-lead agents and joint bookrunners, together with Mackie Research Capital Corporation. In addition, and in connection with the Offering, Fort Capital Securities Ltd. shall act as a capital markets advisor to the Company.

Item 5 Full Description of Material Change

A full copy of the news release is attached hereto as Schedule “A”

5.1 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

Justin Holland, CEO Telephone: (416) 728-7635

Item 9 Date of Report

February 18, 2021

SCHEDULE “A”

Eguana Technologies Announces Proposed Private Placement of Special Warrants

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT INTENDED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

All monetary amounts are expressed in Canadian Dollars, unless otherwise indicated.

CALGARY, AB, Feb. 8, 2021 /CNW/ – Eguana Technologies Inc. (TSX.V: EGT) (OTCQB: EGTYF) (“**Eguana**” or the “**Company**”) is pleased to announce that it intends to raise up to \$15,000,000 (or up to \$20,000,000 if the Agents’ Option (as defined below) is exercised in full) by way of a private placement on a “best efforts”, agency basis (the “**Offering**”). The Offering is being led by Stifel GMP and Cormark Securities Inc., as co-lead and joint bookrunners, together with Mackie Research Capital Corporation (the “**Agents**”). In addition, and in connection with the Offering, Fort Capital Securities Ltd. shall act as a capital markets advisor to the Company.

Pursuant to the proposed Offering, the Company will issue special warrants (“**Special Warrants**”) of the Company at a price of \$0.40 per Special Warrant. Each Special Warrant will be convertible into one common share of the Company (each, a “**Common Share**”) without payment of any additional consideration upon certain conditions being met.

The Company has granted the Agents an over-allotment option (the “**Agents’ Option**”), exercisable in whole or in part, at any time and from time to time up to 48 hours prior to the closing date, to increase the size of the Offering by up to an additional \$5,000,000 of Special Warrants, on the same terms and conditions as the Offering.

The Company will use its commercially reasonable efforts to qualify the distribution of the Common Shares issuable upon exercise of the Special Warrants by way of a prospectus (“**Qualifying Prospectus**”) within 90 days following the closing of the Offering (the “**Qualifying Condition**”). The securities issued in connection with the Offering will be subject to a 4-month hold period from the date of the closing of the Offering (the “**Closing Date**”) unless the Qualifying Prospectus is filed and receipted within that time. If the Qualifying Condition is not met, each Special Warrant will be exercisable (for no additional consideration and with no further action on the part of the holder thereof) for 1.1 Common Shares. Upon completion of the Offering, the Company will make an application to list the Common Shares issuable on exercise of the Special Warrants on the TSX Venture Exchange (the “**Exchange**”), subject to the Company fulfilling all of the listing requirements of the Exchange. The Special Warrants will not be listed on any stock exchange or over-the-counter market.

In addition to strengthening its balance sheet, the Company plans to use net proceeds of the Offering to accelerate cost reduction activities, to further vertically integrate its supply chain through battery management and module development, to expand its development and lab testing capabilities, and to strategically position inventory for the transition from batch manufacturing to flow manufacturing, enabling consistent product availability.

The Offering is scheduled to close in February 2021 on a date to be determined by the Agents and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Exchange and the securities regulatory authorities and the execution of a definitive agency agreement with the Agents in respect of the Offering.

This press 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 state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the “1933 Act”) and may not be offered or sold to, or for the account or benefit of, persons in the United States or “U.S. persons” (as such term is defined in Regulation S under the 1933 Act) absent registration or an applicable exemption from the registration requirements of the 1933 Act any application state securities laws.

About Eguana Technologies Inc.

Based in Calgary, Alberta Canada, Eguana Technologies (EGT: TSX.V) (OTCQB: EGTYF) designs and manufactures high performance residential and commercial energy storage systems. Eguana has two decades of experience delivering grid edge power electronics for fuel cell, photovoltaic and battery applications, and delivers proven, durable, high quality solutions from its high capacity manufacturing facilities in Europe and North America.

With thousands of its proprietary energy storage inverters deployed in the European and North American markets, Eguana is one of the leading suppliers of power controls for solar self-consumption, grid services and demand charge applications at the grid edge.

To learn more, visit www.EguanaTech.com or follow us on Twitter @EguanaTech

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking statements" that are based on expectations, estimates, projections and interpretations as at the date of this news release. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "seek", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur, and include, without limitation, statements regarding the timing and completion of the Offering, the use of proceeds of the Offering, the expected timing for obtaining a final receipt for the Qualifying Prospectus and receipt of all requisite regulatory approvals, the ability to raise the funds to finance its ongoing business activities and expected financial performance and customer growth. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors may include, but are not limited to, the ability to successfully complete the Offering, the ability to obtain all requisite regulatory approvals including the approval of the Exchange and those of the securities regulatory authorities in respect of a Qualifying Prospectus, the ability to apply the proceeds as intended, the results of business operation; the ability of the Company to acquire further customers; timing and availability of external financing on acceptable terms, the uncertainty surrounding the spread of COVID-19 and the impact it will have on the Company's operations and economic activity in general and those risk factors outlined in the Company's management discussion and analysis as filed on SEDAR. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.

SOURCE Eguana Technologies Inc.

View original content: <http://www.newswire.ca/en/releases/archive/February2021/08/c4131.html>

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