MARTELLO TECHNOLOGIES GROUP INC.
390 March Rd., Suite 110
Ottawa, Ontario
K2K 0G7

MATERIAL CHANGE REPORT

March 5, 2021

Item 1. Name and Address of Company

The name of the reporting issuer is Martello Technologies Group Inc. (the “**Issuer**" or “**Martello**”). Its head office is located at 390 March Rd., Suite 110 Ottawa, Ontario K2K 0G7.

Item 2. Date of Material Change

The material change occurred on March 3, 2021.

Item 3. News Release

The Issuer disseminated a News Release via CISION on March 3, 2021, and filed the News Release on SEDAR on March 3, 2021.

Item 4. Summary of Material Changes

Martello announced that it has filed and received a receipt for a preliminary short form prospectus (the **"Prospectus"**) with respect to the bought deal offering previously announced on February 25, 2021.

Item 5. Full Description of Material Changes

In connection with the bought deal offering, the Company also entered into an underwriting agreement (the "Underwriting Agreement") with Paradigm Capital Inc. to act as sole bookrunner, on behalf of a syndicate of underwriters (collectively, the "Underwriters"), pursuant to which the Underwriters will purchase, on a bought deal basis, 26,316,000 units (the "Units") at an offering price of $0.19 per Unit for gross proceeds of approximately $5 million (the "Offering").

Further to the Company's announcement on February 25, 2021, the net proceeds of the Offering will be used for research and development activities, scaling sales and delivery capacity, working capital and general corporate purposes. The Units will be offered in Canada by way of a short form prospectus filed in Ontario, Alberta, and British Columbia, and such other additional jurisdictions as agreed to by the Company and the Underwriters.

The Offering is expected to close on or about March 18, 2021 and is subject to certain customary conditions including the approval of the TSX Venture Exchange and applicable securities regulatory authorities. A copy of the Prospectus is available under the Company's SEDAR profile at www.sedar.com.

Items 6 and 7. Reliance on Subsection 7.1(2) of National Instrument 51-102 and Omitted Information

The Issuer is not relying on sub-section 7.1(2) of National Instrument 51-102 or the equivalent provisions of the securities legislation in other jurisdictions governing the Issuer for the filing of this report nor is any information being omitted in reliance thereon.

Item 8. Executive Officers

For further information, please contact John Proctor, President and Chief Executive Officer of the Issuer, at 613-271-5989.

Item 9. Date of Report

Dated this 5th day of March 2021.