

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Killi Ltd. (formerly Knol Resources Corp.) (the “**Company**”)
409 King Street West, Ste. 400
Toronto, ON M5V 1K1

Item 2 Date of Material Change(s)

May 25, 2020 and May 29, 2020.

Item 3 News Release

News releases were issued by the Company on May 25, 2020 and May 29, 2020 through the newswire services of CISION and was filed under the Company’s profile on the System for Electronic Document Analysis and Retrieval.

Item 4 Summary of Material Change(s)

Material Change #1

The sale of the Company’s offline attribution and data business to PlaceIQ, Inc., (the “**Transaction**”) was approved by shareholders of the Company at its Annual General and Special Meeting of shareholders held on May 25, 2020 (the “**Meeting**”). The Transaction closed on May 29, 2020 and received final approval of the TSX Venture Exchange (“**TSXV**”).

Material Change #2

Approval of a consolidation of the Company’s issued and outstanding class A common shares (the “**Common Shares**”) at a ratio to be determined by the board of directors of the Company at a later date was approved at the Meeting.

Material Change #3

Approval of certain amendments to the Company’s stock option plan was approved at the Meeting.

Material Change #4

Repricing of 2,549,772 options issued to insiders of the Company under the Company’s stock option plan to a price of \$0.05 per share (the “**Option Repricing**”) was approved at the Meeting.

Material Change #5

On May 25, 2020 the Company closed its non-brokered private placement (the “**Offering**”) of 42,000,000 units of the Company (each, a “**Unit**” and collectively, the “**Units**”) at a price of \$0.025 per Unit, for aggregate gross proceeds of \$1,050,000. In connection with the Offering, the Company issued an aggregate of 42,000,000 Common Shares and 42,000,000 common share purchase warrants.

Material Change #6

Insiders of the Company participated in the above noted Offering and acquired an aggregate of \$42,000 worth of Units under the Offering. Such participation is considered a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The related party transaction is exempt from minority approval, information circular and formal valuation requirements pursuant to the exemptions contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the gross securities issued under the Offering nor the consideration paid by the insiders exceeds 25% of the Company’s market capitalization.

Material Change #7

On May 29, 2020, the Company effected its name change to Killi Ltd. (the “**Name Change**”) and repriced the exercise price of 3,509,772 stock options (“**Repriced Options**”) previously issued to directors, officers and employees of the Company to \$0.05. All other terms of the Repriced Options remain unchanged. The Company announced that they had closed the Transaction.

Item 5 Full Description of Material Change(s)

5.1 Full Description of Material Change(s)

a) Description of Material Change(s)

A full copy of the news release is attached hereto as Schedule “A” for Material Changes #1, #2, #3, #4, #5.

A detailed description with regards to Material Change #6, is outlined below.

Material Change #7 – On May 25, 2020 the Name Change was approved by the Company’s shareholders at the Meeting. As a result, the Company has amended its articles of incorporation to change its name from “Freckle Ltd.” to “Killi Ltd.” The Name Change became effective on May 29, 2020. The new CUSIP/ISIN numbers for the Common Shares are as follows: 49423R106/CA49423R1064. Existing shareholders are not required to take any action concerning the Name Change. Issued share certificates representing the Common Shares will not be affected by the Name Change and the Common Shares shall be traded under the ticker symbol, MyID. In addition, the Company has amended the exercise price of the Repriced Options previously issued to directors, officers and employees of the Company to \$0.05 (the “**Repricing**”). The Repricing was subject to disinterested shareholder approval at the Meeting, as 2,549,772 of the Repriced Options were held by insiders of the Company. The repricing remains subject to TSXV approval. On May 29, 2020, the Company closed the Transaction and was granted final approval from the TSXV.

a) Purpose and business reasons for the transaction:

The net proceeds of the Offering will be used for general corporate and working capital purposes.

b) The anticipation effect of the transaction:

The transaction will enable the Company to continue day to day operations.

c) Description of:

i. The interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

The purchase of the Units by: (i) Robert Fernicola, Director of the Company; (ii) Michael Atkinson, Director of the Company; (iii) Andrew Elinesky, Corporate Secretary and Chief Financial Officer of the Company and (iv) Marla Baum, Head of People of the Company (each, an “**Investor**” and collectively the “**Investors**”) pursuant to the Offering, each

constituted a related party transaction within the meaning of Multilateral Instrument 61-101 (“MI-101”)

- ii. **The anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person referred to in sub-paragraph (i) for which there would be a material change in that percentage:**

Not applicable

d) Review and approval process:

The board of directors of the Company (the “**Board**”) reviewed and approved the Offering and the investments of Investors in this transaction by way of a written resolution. Mr. Fericola and Mr. Atkinson (collectively, the “**Conflicted Directors**”) each disclosed their interests with respect to the Offering through written notice to the Company and the Board. The Conflicted Directors also refrained from voting at or attending all Board meetings in connection with the review and approval of the Offering.

e) Summary of the formal valuation:

Not applicable

f) Disclosure of every prior related valuation:

- i. **That has been made in the 24 months before the date of the material change report:**

Not applicable

- ii. **The existence of which is known, after reasonable inquiry, to the Issuer or to any director or senior officer of the Issuer:**

Not applicable

g) General nature and material terms of any agreement between Issuer or a related party of the Issuer, with an interested party or joint actor with an interested party, in connection with the transaction:

Except as set out in Item 5.1 (a) above and the public record of the Company, there are no other agreements in connection with this transaction between the Company and any related party or joint actor with an interested party.

h) Disclosure of the formal valuation and minority approval exemptions, if any:

The transaction between the Company and the Investors is considered a related party transaction within the meaning of MI 61-101. However, since neither the fair market value of the gross securities issued under the Offering nor the consideration paid by each Investor exceeds 25 percent of the Company’s market capitalization, the Company can rely on the formal valuation and minority approval exemptions available to the Company pursuant to Sections 5.5(a) and 5.7(a) of MI 61-101.

The Company did not file a material change report 21 days before the closing of the Offering since details were not settled until shortly prior to closing and the Company wished to complete the Offering as soon as possible.

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

Andrew Elinesky, Chief Financial Officer
Telephone: 647-360-3691

Item 9 Date of Report

June 1, 2020

SCHEDULE "A"



Shareholders of Freckle Approve Previously Announced Sale of Offline Attribution Data Business, Name Change to "Killi Ltd." and Closing of Oversubscribed Non-Brokered Private Placement

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TORONTO, May 25, 2020 /CNW/ - **Freckle Ltd.** (the "**Company**" or "**Killi**") (TSXV: MYID) is pleased to announce that the previously announced sale (the "**Transaction**") of the Freckle offline attribution and data business to PlaceIQ, Inc. ("**PlaceIQ**") has been approved by the holders of common shares of the Company (the "**Shareholders**"). Shareholders approved the Transaction at the Annual General and Special Meeting of Shareholders on May 25, 2020.

The Transaction is expected to close on or about May 29, 2020 and remains subject to the approval of the TSX Venture Exchange ("**TSXV**") and the satisfaction of certain other customary closing conditions in transactions of this nature.

The Company is also pleased to announce the closing of its oversubscribed non-brokered private placement (the "**Offering**") of 42,000,000 units of the Company (each, a "**Unit**" and collectively, the "**Units**") at a price of \$0.025 per Unit, for aggregate gross proceeds of \$1,050,000. In connection with the Offering, the Company issued an aggregate of 42,000,000 Common Shares and 42,000,000 common share purchase warrants.

No commissions or fees were paid in connection with this Offering. The net proceeds of the Offering will be used for general working capital requirements. For further details concerning the Offering, please refer to the Company's news release dated May 19, 2020.

All securities issued in connection with the Offering are subject to a regulatory hold period of four months and a day in accordance with the rules and policies of the TSXV and applicable Canadian securities laws, and such further restrictions as may apply under foreign securities laws. Completion of the financing is subject to final approval of the TSXV.

To demonstrate continued support of the Company's growth plans, insiders of the Company, including certain directors and officers, acquired an aggregate of \$42,000 worth of Units under the Offering. Such participation is considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The related party transaction is exempt from minority approval, information circular and formal valuation requirements pursuant to the exemptions contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the gross securities issued under the Offering nor the consideration paid by the insiders exceeds 25% of the Company's market capitalization.

Results of Annual General and Special Meeting of Shareholders

The Company is also pleased to announce that all resolutions proposed to Shareholders at the annual general and special meeting held on May 25, 2020 were duly passed. All nominees, which included Neil Sweeney, Robert Fernicola, Kevin Shea, Michael Atkinson and Jason Maguire, were re-elected as directors of the Company. In addition to the election of the directors and the sale of the Freckle offline attribution and data business, the Shareholders also voted in favour of the following resolutions put before the meeting:

1. an amendment to the Company's articles to change the name of the Company to "Killi Ltd." (the "**Name Change**");
2. the approval of a consolidation of the Company's issued and outstanding Class A common shares (the "**Common Shares**") at a ratio to be determined by the directors of the Company in the future between a range of three to ten pre-consolidation shares for every one post-consolidation share (the "**Consolidation**");
3. the approval of certain amendments and ratification of the Company's stock option plan (the "**Stock Option Plan**");
4. the repricing of 2,549,772 options issued to insiders of the Company under the Stock Option Plan to a price of \$0.05 per share (the "**Option Repricing**"); and
5. the reappointment of MNP LLP as the Company's auditors for the ensuing year, and the directors were authorized to fix their remuneration.

The Name Change, Consolidation, Option Repricing and amendments to the Stock Option Plan are subject to TSXV approval. Additional information regarding the Transaction and other matters put before the meeting is set out in the Company's management information circular dated April 23, 2020, which is available on the Company's profile on SEDAR at www.sedar.com.

About Freckle Ltd

Killi (killi.io) is a consumer identity product, available in five countries, that allows individuals to take back control of their digital identity from those who have been using it without their consent. With Killi™, consumers can opt-in and select specific pieces of personal information that they would like to share with companies and be compensated directly in cash for its use.

Download Killi™ here.

For more information, please visit killi.io.

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

Forward Looking and Other Cautionary Statements

This news release may contain "forward-looking statements" within the meaning of applicable securities laws, including, but not limited to, the Company's financing plans, the securities sold in

the connection with the Offering, the proposed use of proceeds therefrom, other expected effects of the Offering, timing of closing of the Transaction and satisfaction of the conditions thereto. Forward-looking statements may generally be identified by the use of the words "anticipates," "expects," "intends," "plans," "should," "could," "would," "may," "will," "believes," "estimates," "potential," "target," or "continue" and variations or similar expressions. These statements are based upon the current expectations and beliefs of management and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to: the dilution arising from the Offering; the Company may not receive final approval from the TSXV with respect to the Transaction, the Name Change, the Consolidation, the amendments to the Stock Option Plan, the Option Repricing, and the Offering; the Company's ability to satisfy the closing associated with the Transaction; 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 the risks and uncertainties discussed in our most recent annual and quarterly reports filed with the Canadian securities regulators and available on the Company's profile on SEDAR at www.sedar.com, which risks and uncertainties are incorporated herein by reference.

Readers are cautioned not to place undue reliance on forward-looking statements. Except as required by law, the Company does not intend, and undertakes no obligation, to update any forward-looking statements to reflect, in particular, new information or future events.

SOURCE Killi Ltd

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<http://www.newswire.ca/en/releases/archive/May2020/25/c8346.html>

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CO: Killi Ltd