51-102F3
MATERIAL CHANGE REPORT [F]

Item 1 Name and Address of Company

ATI Airtest Technologies Inc. (the "**Company**")
#9 – 1520 Cliveden Avenue
Delta, BC V3M 6J8

Item 2 Date of Material Change

January 23, 2023

Item 3 News Release

The news release dated January 24, 2023 was issued by Stockwatch and BayStreet.

Item 4 Summary of Material Change

On January 24, 2023, the Company announced that it has completed a first tranche of its previously announced non-brokered private placement (the "**Financing**"), as described in its press releases of December 16, 2022 and January 12, 2023, pursuant to which it has issued an aggregate of 39,900,000 units (each, a "**Unit**") at a price of $0.01 per Unit, for gross proceeds of $399,000. The TSX Venture Exchange has granted a further ten (10) day extension to the Company for completion of the second tranche of the Financing.

Each Unit is comprised of one common share in the capital of the Company (each, a "**Share**") and one non-transferable share purchase warrant (each, a "**Warrant**"). Each Warrant will entitle the holder to purchase one additional Share in the capital of the Company (each, a "**Warrant Share**") for a period of 24 months from the closing date at an exercise price of $0.05, subject to the Acceleration Provision (as defined below). If the daily trading price of the Shares equals or exceeds $0.08 for 10 non-consecutive trading days, the Company may accelerate the expiry date of the Warrants by giving notice via news release to the holders thereof and, in such case, the Warrants will expire on the 30th day after the date on which the news release is disseminated by the Company (the "**Acceleration Provision**").

The Company paid cash finder's fees of an aggregate of $8,050 and issued an aggregate of 805,000 share purchase warrants (each, a "**Finder's Warrant**") to a certain finder in connection with the closing of the Financing. Each Finder's Warrant is exercisable into one Share at a price of $0.05 per Share for a period of 24 months from the date of issuance, subject to an acceleration provision, in connection with the Financing.

The Company intends to use the proceeds from the Financing for general working capital.

A certain insider of the Company subscribed for a total of 1,000,000 Units under the Financing, which is a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The issuances to the insiders are exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the securities issued to the related parties did not exceed 25% of the Company's market capitalization.

The securities issued under the Financing, and the shares that may be issuable on exercise of the Warrants, are subject to a statutory hold period expiring on May 24, 2023.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The material change is fully described in Item 4 above and in the News Release filed on SEDAR at www.sedar.com.

<u>Disclosure Required by MI 61-101</u>

Pursuant to MI 61-101, the Financing constituted a "related party transaction", in part, as certain directors and officers of the Company participated in the Financing.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

(a) a description of the transaction and its material terms:

See Item 4 above for a description of the Offering.

(b) the purpose and business reasons for the transaction:

See Item 4 above for the description of the use of proceeds.

(c) the anticipated effect of the transaction on the issuer's business and affairs:

The Company does not anticipate any material effect on the Company's business and affairs.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Lorne Stewart, the President of the Company, was issued 1,000,000 Units for proceeds of $10,000.

(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 or company referred to in subparagraph (i) for which there would be a material change in that percentage:

The following table sets out the effect of the Offering on the percentage of securities of the Company beneficially owned or controlled by Mr. Stewart:

Name and Position	Dollar Amount of Units Purchased	Number of Securities Purchased	No. of Shares Held prior to Closing of the Offering	Percentage of Issued and Outstanding Shares prior to Closing of the Offering	No. of Shares Held After Closing of the Offering	Percentage of Issued and Outstanding Shares After Closing of the Offering
Lorne Stewart *Officer*	$10,000	1,000,000 common shares and 1,000,000 warrants	Undiluted: 0 Diluted: 0	Undiluted: 0% Diluted: 0%	Undiluted: 1,000,000(1) Diluted: 2,000,000(2)	Undiluted: 0.54%(3) Diluted: 1.09%(4)

(1) Comprised of 1,000,000 Shares held directly.

(2) Comprised of: (a) 1,000,000 Shares held directly, and (b) 1,000,000 Warrants, each of which is exercisable into one Share at a price of $0.05 per Share until January 23, 2025.

(3) Based on 182,472,582 Shares outstanding following the completion of the Financing.

(4) Based on 183,472,582 Shares comprised of: (i) 182,472,582 Shares outstanding after the completion of the Financing, and (ii) 1,000,000 Shares that may be issuable on exercise of Warrants of the Company held directly, all exercisable within 60 days.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

A special committee was not established in connection with the approval of the Offering, and no materially contrary view or abstention was expressed or made by any director.

(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:

Not applicable.

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:

(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 enquiry, to the issuer or to any director or officer of the issuer:*

Not applicable.

(h) *the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:*

The Company entered into a subscription agreement with Mr. Stewart, the President of the Company, whereby Mr. Stewart agreed to purchase 1,000,000 Units for gross proceeds of $10,000.

(i) *disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:*

The Offering is exempt from the valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contained in Sections 5.5(b) as the Company's shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the Shares issued to each related party did not exceed 25% of the Company's market capitalization.

The Company did not file a material change report 21 days prior to closing of the Financing as the Company was not aware of all details of the insider participation in the Financing until just before closing.

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

None

Item 8 Executive Officer

Theodore Konyi, Chief Executive Officer, 604.225.2209

Item 9 Date of Report

January 24, 2023