

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Abaxx Technologies Inc. ("Abaxx" or the "Company")
110 Yonge Street, Suite 1601
Toronto, Ontario M5C 1T4

Item 2 Date of Material Change

March 26, 2025

Item 3 News Release

The press release attached as Schedule "A" was released on March 27, 2025 by a newswire company in Canada.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule "A".

Item 6 Reliance of subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Joshua Crumb
Chief Executive Officer
Abaxx Technologies Inc.
info@abaxx.tech

Item 9 Date of Report

March 27, 2025



Abaxx Announces Closing of C\$22,850,000 First Tranche of Convertible Debenture Offering

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

TORONTO, March 27, 2025 -- Abaxx Technologies Inc. (CBOE:ABXX)(OTCQX:ABXXF) ("**Abaxx**" or the "**Company**"), a financial software and market infrastructure company, indirect majority shareholder of Abaxx Singapore Pte Ltd., the owner of Abaxx Commodity Exchange and Clearinghouse (individually, "**Abaxx Exchange**" and "**Abaxx Clearing**"), and producer of the SmarterMarkets™ Podcast, today announces that it has closed the first tranche (the "**First Tranche**") of its previously announced non-brokered private placement (the "**Offering**") of secured convertible debentures (the "**Debentures**") for aggregate gross proceeds of C\$22.85 million. The Company may close a second and final tranche (the "**Second Tranche**") of the Offering for gross proceeds of up to C\$17.15 million at a later date.

The outstanding principal amount of the Debentures, together with any accrued and unpaid interest, will become due and payable in full on March 26, 2028 (the "**Maturity Date**") and will be payable in cash. Each Debenture consists of C\$1,000 principal amount of secured convertible debentures of the Company and is convertible into common shares of the Company (each, a "**Debenture Share**") at the option of the holder thereof prior to the Maturity Date at a conversion price equal to \$13.00 per Debenture Share (the "**Conversion Price**").

The Company has the right to redeem the Debentures at redemption price equal to 105% of the principal amount of the outstanding Debentures plus any accrued and unpaid interest to the date prior to the date of redemption: (a) at any time, should the VWAP of the Company's common shares exceed 130% of the Conversion Price for no fewer than 20 out of 30 consecutive trading days, or (b) after March 26, 2027.

The Debentures were issued at an original issue discount equal to 2.5% of the aggregate principal amount of the Debentures and bear interest at a rate of 7.0% per annum from the date of issue, payable semi-annually in arrears in cash on June 30 and December 31 of each year following the first interest payment date of September 30, 2026. The Debentures are secured against certain publicly-traded securities owned by the Company.

The Offering is subject to the receipt of all necessary regulatory approvals, including the final approval of Cboe Canada. The net proceeds of the First Tranche are expected to be used for general corporate and working capital purposes. The Debentures and Debenture Shares issuable pursuant to the First Tranche are subject to statutory hold periods of four months and one day from the date of issuance.

In connection with the Offering, so long as the Debentures remain outstanding, the Company has agreed to not assume any additional indebtedness without the consent of a majority of the holders of Debentures



as may be outstanding from time to time, other than: (a) certain permitted debt arrangements of up to C\$10,000,000 for working capital or regulatory capital requirements in the normal course of business, and (b) trade indebtedness in the normal course of its business.

The Company paid eligible finders a total cash commission of C\$510,400 in connection with gross proceeds received from subscribers introduced to the Company by such finders.

A certain holder of greater than 10% of the Company's common shares acquired \$4,000,000 principal amount of Debentures under the First Tranche (the "**Insider Participation**"). The Insider Participation constitutes a "related party transaction" as such term is defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying on an exemption from the formal valuation and minority shareholder approval requirements provided under MI 61-101 pursuant to section 5.5(a) and section 5.7(1)(a) of MI 61-101, on the basis that the Insider Participation does not exceed 25% of the fair market value of the Company's market capitalization. The Company did not file a material change report in respect of the Insider Participation at least 21 days before the closing of the First Tranche, which the Company believes is reasonable in the circumstances in order to complete the First Tranche in an expeditious manner.

The securities offered in the Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons, absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release does not constitute an offer to sell or the solicitation of any offer to buy securities in the United States, nor in any other jurisdiction.

About Abaxx Technologies

Abaxx is building Smarter Markets — markets empowered by better financial technology and market infrastructure to address our biggest challenges, including the energy transition. In addition to developing and deploying financial technologies that make communication, trade, and transactions easier and more secure, Abaxx is an indirect majority-owner of subsidiaries Abaxx Exchange and Abaxx Clearing, recognized by MAS as a "recognised market operator" (RMO) and "approved clearing house" (ACH), respectively.

Abaxx Exchange and Abaxx Clearing are a Singapore-based commodity futures exchange and clearinghouse, introducing centrally cleared, physically deliverable commodities futures and derivatives to provide better price discovery and risk management tools for the commodities critical to our transition to a lower-carbon economy.

For more information please visit abaxx.tech, abaxx.exchange and smartermarkets.media.

For more information about this press release, please contact:



Steve Fray, CFO
Tel: +1 647-490-1590

Media and investor inquiries:

Abaxx Technologies Inc.
Investor Relations Team
Tel: +1 246 271 0082
E-mail: ir@abaxx.tech

Cautionary Statement Regarding Forward-Looking Information

This press release includes certain “forward-looking statements” which do not consist of historical facts. Forward-looking statements include estimates and statements that describe Abaxx’s future plans, objectives, or goals, including words to the effect that Abaxx expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “seeking”, “should”, “intend”, “predict”, “potential”, “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, “continue”, “plan” or the negative of these terms and similar expressions. Since forward-looking statements are based on current expectations and assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to Abaxx, Abaxx does not provide any assurance that actual results will meet respective management expectations. Risks, uncertainties, assumptions, and other factors involved with forward-looking information could cause actual events, results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information related to Abaxx in this press release includes, but is not limited to: matters related to the Offering and the conversion of the Debentures, statements related to the closing of the Second Tranche including the timing and size thereof, regulatory approvals, the agreement to not assume additional indebtedness except certain permitted indebtedness, and the inability of Abaxx to apply the use of proceeds from the Offering as anticipated. Such factors impacting forward-looking information include, among others: the inability to obtain required approvals for the Offering, risks relating to the global economic climate; dilution; Abaxx’s limited operating history; future capital needs and uncertainty of additional financing; the competitive nature of the industry; currency exchange risks; the need for Abaxx to manage its planned growth and expansion; the effects of product development and need for continued technology change; protection of proprietary rights; the effect of government regulation and compliance on Abaxx and the industry; acquiring and maintaining regulatory approvals for Abaxx’s products and operations; the ability to list Abaxx’s securities on stock exchanges in a timely fashion or at all; network security risks; the ability of Abaxx to maintain properly working systems; reliance on key personnel; global economic and financial market deterioration impeding access to capital or increasing the cost of capital; and volatile securities markets impacting security pricing unrelated to operating performance. In addition, particular factors which could impact future results of the business of Abaxx include but are not limited to: operations in foreign jurisdictions, protection of intellectual property rights, contractual risk, third-party risk; clearinghouse risk, malicious actor risks, third-party software license risk, system failure risk, risk of



technological change; dependence of technical infrastructure; and changes in the price of commodities, capital market conditions, restriction on labor and international travel and supply chains, and the risk factors identified in the Company's most recent management's discussion & analysis filed on SEDAR+. Abaxx has also assumed that no significant events occur outside of Abaxx's normal course of business.

Abaxx cautions that the foregoing list of material factors is not exhaustive. In addition, although Abaxx has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended. When relying on forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Abaxx has assumed that the material factors referred to in the previous paragraphs will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking statements and information contained in this press release represents the expectations of Abaxx as of the date of this press release and, accordingly, is subject to change after such date. Abaxx undertakes no obligation to update or revise any forward-looking statements and information, whether as a result of new information, future events or otherwise, except as required by law. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements and information. Cboe Canada does not accept responsibility for the adequacy or accuracy of this press release.