

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

1. **Name and Address of Company**

Blackline Safety Corp. ("**Blackline**" or the "**Corporation**")  
100, 803 – 24th Avenue S.E.  
Calgary, Alberta T2G 1P5

2. **Date of Material Change**

September 27, 2021

3. **News Release**

A news release disclosing in detail the information summarized in this material change report was issued by, or on behalf of, Blackline on September 27, 2021 and disseminated through the facilities of a recognized news service and would have been received by the securities commissions where Blackline is a reporting issuer in the normal course of its dissemination.

4. **Summary of Material Change**

On September 27, 2021, Blackline announced that it had entered into an agreement with a syndicate of underwriters co-led by PI Financial Corp. and Raymond James Ltd. (together, the "**Underwriters**") to sell, on a bought deal basis, 5,480,000 common shares of the Corporation (the "**Common Shares**") at a price of \$7.30 per Common Share (the "**Issue Price**") for gross proceeds of \$40,004,000 million (the "**Offering**"). Blackline also granted the Underwriters an over-allotment option (the "**Over-Allotment Option**") to purchase up to an additional 822,000 Common Shares at the Issue Price, exercisable in whole or in part, at any time, and from time to time, up until the date that is 30 days following closing of the Offering.

5. **Full Description of Material Change**

On September 27, 2021, Blackline announced that it had entered into an agreement with the Underwriters to sell, on a bought deal basis, 5,480,000 Common Shares at the Issue Price for gross proceeds of \$40,004,000. Blackline also granted the Underwriters the Over-Allotment Option, entitling the Underwriters to purchase up to an additional 822,000 Common Shares at the Issue Price, exercisable in whole or in part, at any time, and from time to time, up until the date that is 30 days following closing of the Offering. In the event that the Over-Allotment Option is exercised in full, the gross proceeds of the Offering will be approximately \$46 million.

The Common Shares will be offered by way of a short form prospectus to be filed with the securities commissions and other similar regulatory authorities in each of the provinces of Canada, other than Quebec, pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions*, and in the United States on a private placement basis pursuant to an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended.

The Corporation intends to use the net proceeds of the Offering to further strengthen the Corporation's financial position and allow it to accelerate its growth strategies and investments in sales, marketing and product commercialization, and for general corporate purposes.

The closing date of the Offering is scheduled to be on or about October 19, 2021 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Toronto Stock Exchange and the applicable securities regulatory authorities, and the satisfaction of other customary closing conditions.

**5.1 Disclosure for Restructuring Transactions**

Not applicable.

**6. Reliance on Subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**7. Omitted Information**

Not applicable.

**8. Executive Officer**

For further information, contact Shane Grennan, Chief Financial Officer, by telephone at (403) 451-0327.

**9. Date of Report**

September 29, 2021

**Cautionary Statement Regarding Forward-Looking Information**

This material change report contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this material change report contains statements concerning the anticipated use of the net proceeds of the Offering and the closing date of the Offering. Although Blackline believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Blackline can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The intended use of the net proceeds of the Offering by Blackline might change if the board of directors of Blackline determines that it would be in the best interests of Blackline to deploy the proceeds for some other purpose and the closing date for the Offering may be changed. The forward-looking statements contained in this material change report are made as of the date hereof and Blackline undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. Readers should also carefully consider the matters discussed under the heading "*Risk Factors*" in the preliminary short form prospectus and in the annual information form of the Corporation dated June 3, 2021 which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

This material change report shall not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction. The common shares of Blackline will not be and have not been registered under the *United States Securities Act of 1933*, as amended, and may not be offered or sold in the United States, or to a U.S. person, absent registration or applicable exemption therefrom.