FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

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

2. Date of Material Change

April 7, 2026.

3. News Release:

A news release disclosing the material change was issued by, or on behalf of, Blackline on April 8, 2026 and disseminated through the facilities of a recognized news service and subsequently filed on SEDAR+.

4. Summary of Material Change

On April 8, 2026, Blackline announced that it had entered into an arrangement agreement dated April 7, 2026 (the "**Arrangement Agreement**") with Apollo Purchaser, Inc. (the "**Purchaser**"), a newly created corporation controlled by Francisco Partners Management, L.P., pursuant to which the Purchaser agreed to acquire all of the common shares (the "**Common Shares**") in the capital of Blackline for $9.00 per Common Share in cash at closing plus one contingent value right ("**CVR**") per Common Share (other than in respect of the Rollover Shares (as defined below)) by way of a court-approved plan of arrangement under Section 193 of the *Business Corporations Act* (Alberta) (the "**Transaction**"). Each CVR will entitle the holder thereof to an additional cash payment of up to $0.50 per CVR if the Company hits a certain annualized recurring revenue ("**ARR**") target, as described in greater detail below.

5. Full Description of Material Change

5.1 Full Description of Material Change

On April 8, 2026, Blackline announced that it had entered into the Arrangement Agreement with the Purchaser pursuant to which the Purchaser has agreed to acquire: (i) all of the Common Shares, other than the Rollover Shares (as defined below), for $9.00 per Common Share in cash at closing (the "**Cash Consideration**") plus one CVR per Common Share (the "**CVR Consideration**" and together with the Cash Consideration, the "**Total Consideration**"); and (ii) all or a portion of the Common Shares (such applicable Common Shares, the "**Rollover Shares**") held or controlled by DAK Capital Inc. ("**DAK**"), the Lowy Family Group, Brad Gilewich (President of DAK and a nominee director of the Company) and Cody Slater (Chairman and Chief Executive Officer of the Company) (collectively, the "**Rollover Shareholders**"), being approximately 26.7 million Common Shares or 31% of the issued and outstanding Common Shares, in exchange for securities of the Purchaser or an affiliate thereof. Each CVR will entitle the holder thereof to an additional cash payment of up to $0.50 per CVR if the Company hits a certain ARR target as described in greater detail below.

The Cash Consideration and the Total Consideration (assuming the full payment of the CVR) represent premiums of approximately 27% and 34%, respectively, to the closing price of the Common Shares on the Toronto Stock Exchange (the "**TSX**") on April 7, 2026, the date prior to the announcement the Transaction, and of approximately 28% and 35%, respectively, to the 20-day volume weighted average price per Common Share on the TSX as of the end of trading April 7, 2026.

The signing of the Arrangement Agreement followed the unanimous recommendation of a special committee of independent directors (the "**Special Committee**") of the Company's board of directors (the "**Board**"), that was formed in connection with, among other things, the review of strategic alternatives for the Company.

Transaction Details

Pursuant to the Arrangement Agreement, the Purchaser has agreed to acquire: (i) all of the Common Shares (other than the Rollover Shares) for the Total Consideration; and (ii) all of the Rollover Shares in exchange for securities of the Purchaser or an affiliate of the Purchaser at a value not to exceed the Cash Consideration per Common Share.

Each CVR will entitle the holder thereof to an additional cash payment if the Company's ARR for the month ended October 31, 2027 (the "**Calculated ARR**") is equal to or greater than $145.0 million. If the Calculated ARR is equal to or greater than $148.9 million, each CVR will entitle the holder thereof to a maximum cash payment of $0.50. If the Calculated ARR is greater than or equal to $145.0 million but less than $148.9 million, each CVR will entitle the holder thereof to a cash payment between $0.375 and $0.50 based on a linear interpolation of the Calculated ARR. If the Calculated ARR is less than $145.0 million, holders of CVRs will not be entitled to any payment in respect of their CVRs.

Each CVR will be a direct obligation of the Purchaser. The CVRs will not be listed on any market or exchange, and may not be sold, assigned, transferred, pledged or encumbered in any manner, other than in the limited circumstances set out in the Arrangement Agreement. The CVRs will not represent any equity or ownership interest in the Company, Purchaser or any affiliate thereof (or any other person) and will not be represented by any certificates or other instruments. The CVRs will not have any voting or dividend rights, and no interest will accrue on any amounts payable on the CVRs to any holder thereof.

Pursuant to the Arrangement Agreement, Blackline is subject to customary non-solicitation provisions; however, the Board retains the ability to consider, respond to and, subject to specified conditions, accept an unsolicited *bona fide* "superior proposal" in accordance with its fiduciary duties. Any such proposal is subject to a defined notice and matching process that provides the Purchaser with a right to match within five business days. The Arrangement Agreement also includes customary deal-protection provisions, including a termination payment of $30.6 million payable by Blackline in certain circumstances, a reverse termination payment of $56.3 million payable by the Purchaser in specified circumstances, and a capped expense reimbursement of up to $4.0 million payable to the Purchaser in limited circumstances.

The Transaction will be completed pursuant to a court-approved plan of arrangement under Section 193 of the *Business Corporations Act* (Alberta) and is subject to satisfaction of customary closing conditions, including (without limitation) Court approval, regulatory approvals and the approval of the holders of Common Shares (the "**Shareholders**") at the special meeting of the Shareholders expected to be held in June 2026 to consider and vote upon the Transaction (the "**Special Meeting**"). Completion of the Transaction will be subject to the approval of the Transaction at the Special Meeting by: (i) at least 66⅔% of the votes cast by the Shareholders; and (ii) a simple majority of the votes cast by Shareholders (excluding the votes from Shareholders required to be excluded pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**")). The Transaction is not subject to a financing condition. Assuming the timely receipt of all required approvals, the Transaction is expected to be completed in the second calendar quarter of 2026. If the Transaction is completed, Blackline is expected to apply to delist the Common Shares from the TSX and to cease being a reporting issuer under applicable Canadian securities laws.

Further details regarding the terms of the Transaction are set out in the Arrangement Agreement, a copy of which is available on Blackline's SEDAR+ profile at www.sedarplus.ca. Additional information regarding the Transaction will also be provided in the information circular for the Special Meeting, which Blackline expects to mail in May of 2026. A copy of the information circular will be filed with the Canadian securities regulators and will be available on Blackline's SEDAR+ profile.

Formal Valuation and Fairness Opinions

CIBC World Markets Inc. ("**CIBC Capital Markets**") was retained by the Special Committee to provide financial advice and prepare a formal valuation of the Common Shares, as required under MI 61-101. CIBC

Capital Markets delivered a formal valuation to the Special Committee which concluded that, as of April 7, 2026 and based upon and subject to the assumptions, limitations and qualifications to be set forth therein, the fair market value of the Common Shares was in the range of $8.15 to $11.10 per Common Share and the fair market value of the CVRs was in the range of $0 to $0.40 per CVR.

Canaccord Genuity Corp. ("**Canaccord Genuity**") was retained as financial advisor by the Special Committee.

Each of CIBC Capital Markets and Canaccord Genuity also delivered fairness opinions to the Special Committee which concluded that, as of April 7, 2026, and based upon and subject to the various assumptions, limitations, qualifications and other matters to be set forth in their respective opinions, the consideration to be received by Shareholders (other than the Rollover Shareholders) pursuant to the Transaction was fair, from a financial point of view, to such Shareholders.

<u>Unanimous Approval of the Board</u>

The Special Committee unanimously determined that the Transaction is in the best interest of the Company and is fair to Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) and recommended that the Board: (i) approve the Arrangement Agreement and the Transaction; and (ii) recommend that the Shareholders vote in favour of the special resolution to approve the transaction (the "**Arrangement Resolution**") at the Special Meeting.

The Board, after receiving the unanimous recommendation of the Special Committee, unanimously (with interested directors abstaining): (i) determined that the Transaction is fair and reasonable to the Shareholders (other than the Rollover Shareholders in respect of their Rollover Shares) and in the best interests of Blackline; (ii) approved the Arrangement Agreement and the transactions contemplated thereby; and (iii) resolved to recommend that the Shareholders vote in favour of the Arrangement Resolution at the Special Meeting.

<u>Rollover Agreements</u>

Each of the Rollover Shareholders entered into agreements with the Purchaser and an affiliate of the Purchaser (the "**Rollover Agreements**") pursuant to which the Rollover Shares will be exchanged for securities of the Purchaser or an affiliate of the Purchaser at a value not to exceed the Cash Consideration per Common Share. In connection with the Transaction, the Rollover Shareholders (other than Cody Slater) have agreed to contribute an aggregate of approximately $45 million to an affiliate of the Purchaser to fund, in part, the Cash Consideration payable in connection with the Transaction and certain other transaction expenses.

The Rollover Shares represent approximately 31% of the issued and outstanding Common Shares. The Rollover Shareholders (other than Cody Slater, who shall receive one CVR per each of his respective Rollover Shares) have agreed to forego any CVR consideration for their Rollover Shares.

<u>Voting Support Agreements</u>

Each of the Rollover Shareholders and the other directors and officers of Blackline have entered into voting and support agreements with the Purchaser and Blackline whereby they have, among other things, agreed to vote their Common Shares in favor of the Transaction, subject to customary exceptions (the "**Voting Support Agreements**"). The Common Shares represented by the parties to the Voting Support Agreements represent approximately 34% of the issued and outstanding Common Shares.

Rollover Shareholders (other than Cody Slater)

Pursuant to the Voting Support Agreements entered into by the Rollover Shareholders (other than Cody Slater), such Rollover Shareholders agreed, among other things, to vote (or cause to be voted) all of the

Common Shares owned or controlled by them in favour of the Transaction and against any actions that would prevent or delay the successful completion of the Transaction, including a competing acquisition proposal, and not to sell or otherwise dispose of their respective Common Shares other than pursuant to the Arrangement Agreement or the Rollover Agreements.

Each Rollover Shareholder's Voting Support Agreement (other than Cody Slater's) will automatically terminate upon, among other things, October 4, 2026 (being the date that is 180 days from the date of the Voting Support Agreements) or the completion of the Transaction. In addition, each Rollover Shareholder (other than Cody Slater who entered into a Voting Support Agreement in the form for directors and officers noted below) may terminate its Voting Support Agreement in certain other circumstances, including if: (i) the Purchaser amends the Arrangement Agreement, without such Rollover Shareholder's prior written consent, in a manner that would reasonably be considered to be adverse to such Rollover Shareholder in any material respect; or (ii) the Purchaser breaches or is in default of its obligations under the Rollover Shareholder's Voting Support Agreement or Rollover Agreement in any material respect (other than as a result of a funding default of the Rollover Shareholder under the Rollover Agreement) and such breach or default would be reasonably considered to have a material and adverse impact on the Rollover Shareholder.

Other Directors and Officers

Pursuant to the Voting Support Agreements entered into by each director and officer of Blackline, other than Vasi Philomin (who does not own or control any Common Shares) and Brad Gilewich (who entered into a Voting Support Agreement for Rollover Shareholders in the form entered into by the Rollover Shareholders), such directors and officers agreed, among other things, to vote (or cause to be voted) all of the Common Shares owned or controlled by them in favour of the Transaction and not to take any actions that would reduce the success of, delay or interfere with the completion of the Transaction or sell or otherwise dispose of their respective Common Shares other than pursuant to the Arrangement Agreement.

The Voting Support Agreements entered into by such directors and officers will automatically terminate if the Arrangement Agreement is terminated in accordance with its terms, at the completion of the Transaction or by the mutual written consent of the parties. In addition, each director or officer may terminate their Voting Support Agreement if the Total Consideration payable under the Transaction is reduced or changed in form, without such director or officer's prior written consent.

Copies of the applicable forms of Voting Support Agreements are available on Blackline's SEDAR+ profile at www.sedarplus.ca.

5.2 Disclosure of Restructuring Transaction

Not applicable.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

The name and business numbers of the executive officer of us who is knowledgeable of the material change and this report is:

Chris Curry
Interim Chief Financial Officer

Telephone: 1-877-869-7212

9. Date of Report

April 17, 2026.

Cautionary Statement Regarding Forward-Looking Information

This material change report contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws. These statements relate to future events or the Company's future performance. All statements other than statements of historical fact may be forward-looking statements. The use of any of the words "estimate", "will", "would", "believe", "plan", "expected", "potential", and similar expressions are intended to identify forward-looking statements. In particular, and without limiting the foregoing, this material change report contains forward-looking statements with respect to: the timing of closing and anticipated benefits and results of the Transaction; the benefits of the cash-plus-CVR consideration structure; the characteristics of the CVRs, including that they will not be listed on any market or exchange and will not be represented by any certificate or other instrument; that the Rollover Shareholders will exchange their applicable Common Shares for securities of the Purchaser or an affiliate of the Purchaser; expected timing of the Special Meeting; expected timing of closing of the Transaction; that the Common Shares will be delisted from the TSX and Blackline will cease to be a reporting issuer following completion of the Transaction; the potential that the CVRs will result in an additional cash payment to Shareholders; the anticipated information to be included in the management information circular prepared by Blackline and sent to Shareholders in connection with the Transaction; the anticipated filing of materials on Blackline's SEDAR+ profile; and other similar statements.

Blackline provided such forward-looking information in reliance on certain expectations and assumptions that it believes are reasonable at the time. The material assumptions on which the forward-looking information in this material change report are based, and the material risks and uncertainties underlying such forward-looking information, include: the satisfaction of the conditions to the Transaction in the Arrangement Agreement and the risk that such conditions are not satisfied, or to the extent permitted, waived, including the approval of the Transaction at the Special Meeting, the approval of the Court and the receipt of the regulatory approvals; the risk that no additional cash consideration will be payable in respect of the CVRs; the Purchaser's intentions if the Transaction is approved, including the delisting of the Common Shares; risk that the Transaction may be varied, accelerated or terminated in certain circumstances and the consequences thereof; the accuracy of and reliance on the formal valuation; the continuation of USMCA and other applicable trade agreements; the effects of hostilities in the Middle East and elsewhere; that future business, regulatory, and industry conditions will be within the parameters expected by Blackline, including with respect to prices, margins, demand, supply, product availability, supplier agreements, availability, and cost of labour and interest, exchange, and effective tax rates; projected capital investment levels, the flexibility of capital spending plans, and associated sources of funding; cash flows, cash balances on hand, and access to the Company's credit facility being sufficient to fund capital investments; foreign exchange rates; near-term pricing and continued volatility of the market; accounting estimates and judgments; the ability to generate sufficient cash flow to meet current and future obligations; the Company's ability to obtain and retain qualified staff and equipment in a timely and cost-efficient manner; the Company's ability to carry out transactions on the desired terms and within the expected timelines; forecast inflation, including on the Company's components for its products, regulatory changes, supply chain disruptions, macroeconomic conditions, U.S.-Canada tariffs, the impacts of the military conflicts on the global economy; and other assumptions, risks, and uncertainties described from time to time in the filings made by Blackline with securities regulatory authorities.

Although Blackline believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Blackline can give no assurance that they will prove to be correct. Forward-looking information addresses future events and conditions, which by their very nature involve inherent risks and uncertainties, including the risks set forth above and as discussed in Blackline's Management's Discussion and Analysis ("MD&A") and Annual Information Form for the year ended October 31, 2025 and available on SEDAR+ at www.sedarplus.ca. Blackline's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits Blackline will derive therefrom. Management has included *the above summary of assumptions and risks related to forward-looking information provided in this material change report in order to provide readers with a more complete perspective on Blackline's future operations and such information may not be appropriate for other purposes. Readers are cautioned that the foregoing lists of factors are not exhaustive. These forward-looking statements are made as of the date of this material change report and Blackline disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.*

Non-GAAP and Other Financial Measure

The Company recognizes service revenues ratably over the term of the service period under the provisions of agreements with customers. The terms of agreements, combined with high customer retention rates, provides the Company with a significant degree of visibility into near-term revenues. Management uses several metrics, including ARR, to measure the Company's performance and customer trends, which are used to prepare financial plans and shape future strategy, and in the case of the CVR, measure potential additional consideration that may be payable to Shareholders in connection with the Transaction. Key performance indicators may be calculated in a manner different than similar key performance indicators used by other companies.

"Annualized Recurring Revenue" or "ARR" is the total annualized value of recurring service amounts (ultimately recognized as software services revenue) of all service contracts at a point in time. Annualized service amounts are determined solely by reference to the underlying contracts, adjusted for the varying revenue recognition treatments under IFRS 15, Revenue from Contracts with Customers. It excludes one-time fees, such as for rentals and non-recurring professional services, and assumes that customers will renew the contractual commitments on a periodic basis as those commitments come up for renewal, unless such renewal is known to be unlikely. For clarity, the Calculated ARR will be equal to: (i) the total dollar value of the recurring service revenue (as determined on a basis consistent with past practices and in the manner by which "recurring service revenue" was historically determined for purposes of Blackline's MD&A for the fiscal quarter ended January 31, 2026) for the month ended October 31, 2027; multiplied by (ii) a factor of twelve (12). Please refer to "Non-GAAP and Supplementary Financial Measures" at the end of the MD&A which is available on Blackline's SEDAR+ profile at www.sedarplus.ca for a description of ARR.