

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

Mission Ready Solutions Inc. (the “**Company**” or “**Mission Ready**”)
804-750 West Pender Street
Vancouver, BC V6C 2T7

Item 2: Date of Material Change

February 12, 2019.

Item 3: News Release

A news release was issued and disseminated on February 12, 2019 and filed on SEDAR (www.sedar.com).

Item 4: Summary of Material Changes

The Company announced an escrowed close of its previously announced acquisition (the “**Acquisition**”), a corporate update and the passing of Anthony J. Walton as a director of the Company.

Item 5: Full Description of Material Change

The Company announced that it has received conditional approval from the TSX Venture Exchange (the “**TSXV**”) for its previously announced Acquisition of Unifire, Inc. (“**Unifire**”) and that trading in the Company’s common shares on the TSXV will resume on February 14, 2019. The Company is also pleased to announce that it has closed the Acquisition in escrow. The Acquisition has been structured as a merger between Unifire and a wholly owned subsidiary of Mission Ready which was incorporated for purposes of the Acquisition. The consideration for the acquisition includes:

1. The issuance of an aggregate of 26,315,790 common shares (“**Shares**”) of the Company.
 - a. The Shares will be issuable upon, and subject to, final acceptance from the TSXV (“**Final Acceptance**”).
 - b. The Shares will be subject to a four-month statutory hold period and will also be subject to contractually agreed upon escrow restrictions whereby the Shares will vest incrementally up to the final release date of January 1, 2022.
2. Deferred cash payments totaling USD\$4,000,000.
 - a. The cash payments will be payable incrementally pursuant to a contractually agreed upon schedule with the final payment to be remitted on January 1, 2022.

The Shares will be issued upon the release from escrow of all closing documents which is subject to receipt of Final Acceptance. Final Acceptance is conditional on the Company delivering to the TSXV the following, unless otherwise waived:

- **Financial Plan:** a financial plan or other evidence demonstrating that the Company has, or will have upon closing, the financial resources to close the Acquisition;
- **Financial Statements:** audited financial statements for Unifire;
- **Transaction Agreement:** the transaction agreement(s), including relevant underlying agreements;
- **Personal Information Form(s):** a completed personal information form for any new insider of the Company, if applicable;
- **Business Plan:** a business plan for the Acquisition; and
- **Filing Fees:** the applicable fee as prescribed by TSXV Policy 1.3 – *Schedule of Fees*.

In addition to the Credit Facility (as defined below), the Company is contemplating an equity or debt financing, or a combination thereof, for the purposes of satisfying its cash payment obligations in connection with the Acquisition, projected growth and general working capital, the details of such financing to be determined and disclosed in a future news release.

The cash consideration is subject to adjustment to the extent that the net working capital of Unifire on the effective date of the acquisition is greater or less than USD\$1,856,798.

Further to its July 31, 2018 news release stating that the Company had received a term sheet for a USD\$20 million credit facility (the “**Credit Facility**”) from Zenith Insured Credit, LLC (“**Zenith**”), the Company is pleased to report that it has received, and is currently reviewing, the formal agreements related to the Credit Facility which are expected to be executed prior to the close of the Acquisition. Coordinated by Zenith following extensive in-house and third-party due diligence on the Acquisition, the scalable Credit Facility is being offered through an arm’s length strategic partner of Zenith, Capstone Capital Group, LLC (“**Capstone**”). Capstone was selected, by Zenith, as the funding partner for the Credit Facility following the development of a dynamic and flexible financing structure to meet Unifire’s immediate and future requirements. There are no finder’s fees payable to Zenith by the Company in connection with the Credit Facility. Following the execution of the Credit Facility, the Company intends to immediately begin leveraging the newly-available capital to meet the Company’s ambitious growth strategies for 2019 through 2022.

The borrowing base for the Credit Facility will be an amount equal to 100% of the aggregate fair market value of all unsold eligible inventory of Unifire at the time of calculation. The Credit Facility is for an initial 24 month term and automatically renews each year thereafter unless otherwise terminated and will a.) be secured by a security interest granted over the assets of Unifire, as well as a stock pledge made by the Company over the common stock of Unifire and a corporate guarantee made by the Company and each of its subsidiaries in favour of Capstone, b.) carry an annual servicing fee (“**Annual Servicing Fee**”) and c.) carry a capital advance fee (“**Capital Advance Fee**”) payable on the line amount of each capital advance, both of which are set at commercially competitive rates. The Annual Servicing Fee will be reduced incrementally by the fees payable on each capital advance over the course of the annual term. The Company anticipates that the Credit Facility utilization for each annual term will effectively eliminate the Annual Servicing Fee in its entirety.

During the acquisition process, the Company, in collaboration with Unifire management, successfully completed a comprehensive submission for the Defense Logistics Agency (“**DLA**”) Special Operational Equipment (“**SOE**”) Tailored Logistics Services (“**TLS**”) contract renewal in advance of the January 2019 deadline. Additional information on the TLS contract renewal can be viewed at the following link:

<https://www.fbo.gov/spg/DLA/J3/DSCP-I/SPE8EJ18R0001DRAFT/listing.html>

Further information on the Acquisition is contained in the Company’s news releases dated July 31, 2018, August 7, 2018, November 9, 2018 and December 6, 2018.

Foreign Military Distribution Agreement

Further to the Company’s November 9, 2018 announcement stating that it had “delivered a Notice of Material Default (the “Default Notice”) to the distributor as a result of the significant delays in the delivery of purchase orders pursuant to the annual minimum sales volumes outlined in the Distribution Agreement”, the Company reports that the Material Default was not rectified by the distributor and the Company will be notifying the distributor and related parties that the Distribution Agreement and all related agreements have been terminated.

New e-Commerce Website

The Company is pleased to announce the launch of PTF’s new e-Commerce website which can be viewed at <http://www.ProtectTheForce.com/>.

Board Changes

Mission Ready reports, with great sadness, the passing of Mr. Anthony Walton who served as a director of the Company and a member of its Audit Committee since his appointment on June 1, 2018. Mission Ready management would like to extend their most sincere condolences to Mr. Walton’s family, friends and associates during this difficult time. Mr. Walton’s obituary, published in the New York Times, can be viewed at the following link:

<https://www.legacy.com/obituaries/nytimes/obituary.aspx?n=anthony-walton&pid=191372724&>

James (Spider) Marks has been appointed as a member of the Company’s Audit Committee, effective February 1, 2019.

TEEX Award

For the second time in the past three years, Mission Ready is pleased to announce that PTF has received an award from Texas A&M Engineering Extension Service (“**TEEX**”) for its No-Contact technology which was developed in collaboration with the Special Operations Forces Personal Equipment Advanced Requirements (“**SPEAR**”) Program Office in Natick, MA.

PTF’s No-Contact Shield Cover has been named one of the top three technologies in the TEEX Defense to Response Technology Transition Program (“**D2R**”). The No-Contact Shield Cover provides a personal force field, using an energy conducting fabric, to provide personal protection for the end-user. In an announcement dated January 7, 2019, TEEX states, “PTF’s Flex9Armor Shirt was selected as one of the 2017 Defense to Response winners, after being named one of the U.S. Army’s Top Innovations in 2016. Utilizing lightweight, composite material, the Flex9 Armor shirt incorporates multiple, small, overlapping panels compared to the traditional large, single armor plates currently in use. The Flex9 Armor Shirt is a TEEX TESTED® ballistic shirt that is 30% lighter than conventional armor and gives mobility back to the user.”

PTF Innovations competed with 18 other technologies and was selected as one of three winners by a panel of both academic and industry subject matter experts. The award includes USD\$110,000 in TEEX services commercialization and marketing services.

Related TEEX publications can be viewed at the following links:

<https://teex.org/Pages/about-us/article.aspx?id=1581>

<http://soldiersystems.net/2019/01/19/protecting-the-force-abroad-and-at-home/>

No-Contact Patent

Mission Ready is pleased to announce that its No-Contact Shield Cover patent application (#US10145657B2), submitted March 31, 2016, was granted on December 4, 2018. Further information on the No-Contact Shield Cover patent can be viewed at the following link:

<https://patents.google.com/patent/US10145657B2/en?q=10145657>

About Capstone Capital Group, LLC

Headquartered in New York City, Capstone is a private finance company focused on accelerating client cash flow and specializes in Single Invoice Factoring (“Spot Factoring”) for firms in need of immediate cash. Spot Factoring provides flexible, no-contract invoice selling in exchange for working capital from Capstone Business Funding.

Capstone’s mission is to provide vital capital resources, services and management to help expanding businesses achieve financial prosperity and peace of mind.

Capstone seeks to fund under-capitalized, competent businesses to sustain sales growth, preserve capital and ensure business goals are realized.

With more than 100 years of combined business and investment expertise, clients can rely on Capstone’s management team for reliable and proficient asset, capital and legal management.

Capstone’s management has extensive experience in construction and financial services specializing in Factoring and Trade and PO Financing. Our management team’s vast know-how and unique blend of skills serves to sustain our clients’ ever-changing needs.

About Unifire, Inc.

Founded in 1987, Unifire is a specialized solutions provider to the US Defense Logistics Agency, and one of 6 Companies worldwide that is authorized to provide equipment and designated services under the multi billion-dollar Tailored Logistics Support framework. Unifire is a Service-Disabled Veteran Owned Small Business and an industry leading manufacturer and distributor of over 1.5 million fire, military, emergency, and law enforcement products.

As an incumbent awardee of DLA’s TLS and Fire and Emergency Services (“**FES**”) contracts with extensive knowledge and experience in providing solutions to the US Federal Government, Unifire utilizes its highly-

efficient and scalable technology infrastructure to provide procurement solutions for program managers, military and federal contracting offices, base supply centers, and other governmental supply agencies.

About Mission Ready Solutions Inc.

Headquartered in Vancouver, British Columbia, Canada, Mission Ready innovates and manufactures leading tech-centric defense and tactical solutions to prevent injuries and enhance the performance of military personnel, first-responders and all those who protect us by equipping them with the next generation of personal protective technologies.

Mission Ready is committed to becoming a global leader in personal protective technologies through the strategic growth of its three synergistic business segments; Innovations & Development, Prototyping & Manufacturing, and Product Sales.

Mission Ready trades on the TSXV under the symbol MRS.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

None.

Item 8: Executive Officer

For further information, visit MRSCorp.com

Investor Relations

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Item 9: Date of Report

February 12, 2019.