

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

Item One – Name and Address of Company

OV2 Investment 1 Inc. (the “Company”)
365 Bay Street, Suite 800
Toronto, ON M5H 2V1

Item Two - Date of Material Change

April 28, 2021

Item Three - News Release

The news release reporting the material change described in this report was issued in Toronto, Ontario on April 29, 2021 through the newswire services of Cision and was filed via SEDAR (the “News Release”). The News Release is attached hereto as Schedule “A” and incorporated by reference herein.

Item Four - Summary of Material Change

On April 29, 2021, the Company announced that it entered into a definitive merger agreement dated April 28, 2021 with EasTower Group, Inc. and EasTower Acquisition Corporation, pursuant to which the parties intend to complete a business combination by way of a three-cornered merger. The transaction is expected to constitute the Company’s qualifying transaction under Policy 2.4 – *Capital Pool Companies*.

Item Five - Full Description of Material Change

For a full description of the material change, please see the News Release attached hereto as Schedule “A” which News Release forms an integral part of this material change report.

Item Six – Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item Seven - Omitted Information

Not Applicable.

Item Eight - Executive Officer

Babak Pedram, Director (416) 995-8651

Item Nine – Date of Report

May 10, 2021

SCHEDULE “A”

OV2 INVESTMENT 1 INC. SIGNS DEFINITIVE MERGER AGREEMENT WITH EASTOWER GROUP, INC.

NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

TORONTO, ONTARIO – April 29, 2021 – Further to the press releases issued on July 16, 2020 and August 31, 2020, OV2 Investment 1 Inc. (the “**Corporation**”) (TSXV: OVO.P), is pleased to announce that it has entered into a definitive merger agreement (the “**Agreement**”) dated April 28, 2021 with EasTower Group, Inc. (“**EasTower**”) and EasTower Acquisition Corporation (“**Subco**”), a wholly-owned subsidiary of the Corporation, pursuant to which the parties intend to complete their previously announced business combination by way of a three-cornered merger (the “**Transaction**”). The Transaction is expected to constitute the Corporation’s Qualifying Transaction under Policy 2.4 – *Capital Pool Companies* (“**Policy 2.4**”) of the TSX Venture Exchange (the “**TSXV**”), subject to TSXV approval. Pursuant to the Transaction, EasTower and Subco will merge, with EasTower surviving as a wholly-owned subsidiary of the Corporation. The Corporation proposes to change its name to “EasTower Group Holdings Inc.” and, upon completion of the Transaction, will carry on the business of EasTower. The Transaction is an arm’s length transaction. A copy of the Agreement will be made available on the Corporation’s SEDAR profile at www.sedar.com.

Description of EasTower

EasTower is a private company incorporated under the laws of Florida on July 27, 2015 and is based in Boca Raton, Florida. EasTower, through its wholly-owned subsidiary, EasTower Communications, Inc., is a U.S. provider of wireless communications infrastructure and related services. EasTower specializes in the construction, installation, upgrade and maintenance of wireless communication systems, including 5G, 4G and small cell deployments as well as first responder or FirstNet initiatives. Their diverse, top-tier customer base includes major telecom providers, global OEMs, corporations and federal agencies. EasTower is currently focused on operating within the southeastern U.S. states and is planning to expand to additional southwestern U.S. states. Selected financial information from EasTower’s unaudited financial statements for the years ended December 31, 2019 and 2020, is as follows:

	Year Ended Dec 31, 2019 (US\$ - unaudited)	Year Ended Dec 31, 2020 (US\$ - unaudited)
Revenue	\$2,814,100	\$2,895,200
Net profit (loss)	\$(2,920,800)	\$(1,943,100)
Total assets	\$746,000	\$680,500
Total liabilities	\$4,892,700	\$5,190,900
Shareholder equity (deficit)	\$(4,146,700)	\$(4,510,400)

EasTower currently has 26,453,214 shares of common stock ("**EasTower Shares**") issued and outstanding held by over 101 shareholders.

Terms of the Transaction

Prior to and in connection with the Transaction, the Corporation will: (i) consolidate its common shares ("**OV2 Shares**") into 8,000,000 post-consolidation OV2 Shares (representing an exchange ratio of 0.797309081 post-consolidation OV2 Shares for each one pre-consolidation OV2 Share) (the "**Consolidation**"), (ii) change its name to "EasTower Group Holdings Inc.", and (iii) continue from being a corporation governed by the *Canada Business Corporations Act* to being a corporation governed by the

Business Corporations Act (British Columbia). As a result of the Consolidation, the Corporation will have 8,000,000 post-Consolidation OV2 Shares issued outstanding and outstanding options to purchase 797,309 OV2 Shares.

Under the terms of the Agreement, the parties have agreed to complete a business combination involving a triangular merger among the Corporation, EasTower and Subco, whereby EasTower and Subco will merge under the *Florida Business Corporations Act*, with EasTower surviving as a wholly-owned subsidiary of the Corporation (the "**Merger**"). Pursuant to the Merger, former holders of shares of common stock of EasTower ("**EasTower Shares**") will receive from the Corporation (at and after the Merger, the "**Resulting Issuer**", as defined under the policies of the TSXV) post-Consolidation OV2 Shares ("**Resulting Issuer Shares**"). Concurrent with consummation of the Merger, each EasTower Share issued and outstanding immediately prior to the effective time of the Merger and held by a Canadian resident shareholder shall be transferred by such holder to the Corporation in exchange for one OV2 Share (post-Consolidation).

In connection with the Transaction, the Corporation and EasTower have entered into a finder's fee agreement, pursuant to which EasTower shall issue an aggregate of 1,200,000 EasTower Shares to Starber Enterprises Inc. (a company controlled by Darren Sontowski), OV2 Capital Inc. (a company controlled by Sheldon Pollack), Babak Pedram and Elizabeth Adamou (collectively, the "**Finders**") immediately prior to the Merger, subject to the approval of the TSXV and the receipt of all approvals of the Corporation's shareholders required pursuant to TSXV rules.

On closing of the Transaction, the Corporation will issue one OV2 Share (post-Consolidation) for each one EasTower Share, EasTower will become a wholly-owned subsidiary of the Corporation and the Corporation will carry on EasTower's business.

In connection with the Transaction, the Corporation and EasTower intend to complete two non-brokered private placements.

EasTower intends to complete a private offering of units ("**Units**") for minimum gross proceeds of \$425,000 and maximum gross proceeds of \$1,000,000 at a price per Unit of \$0.25 (the "**EasTower Financing**"). Each Unit will consist of one EasTower Share and one-half of one common share purchase warrant of EasTower (each whole warrant, a "**EasTower Warrant**"). Each whole EasTower Warrant will be exercisable for one EasTower Share at an exercise price of \$0.40 per EasTower Share for a period of 24 months from the issuance thereof. A finder's fee may be payable in connection with the EasTower Financing equal to 8% of the gross proceeds payable in cash and

broker warrants equivalent to 8% of the number of Units issued. Each broker warrant shall be exercisable for one EasTower Share at an exercise price of \$0.40 per EasTower Share for a period of 24 months from the issuance thereof.

The Corporation intends to complete a non-brokered private placement of subscription receipts (“**Subscription Receipts**”) for minimum gross proceeds equal to \$3,000,000 less the amount raised in the EasTower Financing and maximum gross proceeds of \$3,000,000 at a price per subscription receipt of \$0.25 (the “**OV2 Financing**”). Immediately prior to close of the Transaction, each Subscription Receipt will be exchanged for one OV2 Share (post-Consolidation) and one-half of one common share purchase warrant of the Corporation (each whole warrant, a “**Warrant**”), for no additional consideration. Each whole Warrant will be convertible into one Resulting Issuer Share at an exercise price of \$0.40 per Resulting Issuer Share for a period of 24 months from the issuance thereof. A finder’s fee may be payable in connection with the OV2 Financing equal to 8% of the gross proceeds payable in cash and broker warrants equivalent to 8% of the number of Subscription Receipts issued. Each broker warrant shall be exercisable for one Resulting Issuer Share at an exercise price of \$0.40 per Resulting Issuer Share for a period of 24 months from the issuance thereof.

The net proceeds of the EasTower Financing and the OV2 Financing (collectively, the “**Financing**”) will be used to fund the continued expansion of EasTower’s business, provide working capital, and for general and administrative expenses.

If the Transaction is completed, and assuming \$3,000,000 is raised in the Financing, it is anticipated that, immediately thereafter, the Resulting Issuer will have 59,601,258 Resulting Issuer Shares outstanding, with (i) the shareholders of EasTower holding approximately 64.5% of the outstanding Resulting Issuer Shares, (ii) the shareholders of OV2 holding approximately 13.4% of the outstanding Resulting Issuer Shares, (iii) the Finders holding approximately 2.0% of the outstanding Resulting Issuer Shares, and (iv) the subscribers in the Financing holding approximately 20.1% of the outstanding Resulting Issuer Shares.

Completion of the Transaction is subject to a number of conditions, including but not limited to, third-party and board approvals and consents, satisfaction or waiver of all conditions set forth in the Agreement, the approval of the TSXV and requisite shareholder approvals.

Management and Board of Directors of the Resulting Issuer

Upon connection with the Transaction, it is anticipated that all of the existing directors and officers of the Corporation will resign and the directors and officers of the Resulting Issuer will consist of the following:

Vlado Hreljanovic, Chief Executive Officer, President and Director

Mr. Hreljanovic is a results-driven executive with proven leadership ability to attract and mentor management teams and lead highly productive operations. He has over 20 years of experience in management and business development, including overseeing of wireless infrastructure services for major telecommunication carriers, as well as national and international wireless tower companies. In addition, Mr. Hreljanovic has 20 years of public market experience on the NASDAQ markets. He began his professional career at KPMG and holds a B.S. in Business Administration, Fordham University.

Margaret Perialas, *Executive Vice-President and Director*

Ms. Perialas is a proven leader with over 25 years experience in the telecommunications, aerospace, healthcare, oil and gas industries. She has directed and lead efforts for the enterprise transformation encompassing strategic development and deployment, activities designed to extend technological and operational capabilities on a global basis. She holds a Bachelor's Degree from Urbana College in Business Administration.

Paul Perialas, *Chief Financial Officer and Chief Operating Officer*

Mr. Perialas is a seasoned, entrepreneurial financial executive, leader, and business partner with an extensive and diverse industry background with a focus on organizations undergoing significant change. He has over 20 years of experience with a solid blend of public and private company experience with increasing financial responsibility and a proven track record of accomplishment in delivering financial results, operational excellence, and business development activities. He holds a B.S. Degree in Accounting and Finance, Defiance College; MBA Finance, Miami University.

Ted Boyle, *Director*

Mr. Boyle is a senior communications industry executive with more than 30 years of management and consulting experience in business development, sales, technology, marketing and promotion. He has a demonstrated record of accomplishment in the internet, wireless, satellite and cable industries having served each in progressively senior responsibilities. He currently sits on the boards of Global Nexus Ltd. and Asian Television Networks International Limited (a TSXV listed issuer).

Fred Buzzelli, *Director*

Mr. Buzzelli is the principal partner of B C & C Professional Corporation, Chartered Professional Accountants and Advisors. Mr. Buzzelli received his BBA from Wilfrid Laurier University, School of Business and Economics. He articulated with Price Waterhouse & Co., where he qualified as a member of CPA Ontario and CPA Canada.

Joe Liberman, *Director*

Mr. Liebman is a co-founding partner of Liebman, Goldberg & Hymowitz, LLP which was established in 1977. Mr. Liebman and his firm provide tax, audit and advisory services to an array of industries, including but not limited to real estate, technology construction, telecommunications, and restaurants. Mr. Liebman holds a B.S. in accounting from CUNY Queens and received his CPA license in 1975.

Arm's Length Transaction, Sponsorship & Regulatory Matters

As the Transaction is not a Non-Arm's Length Qualifying Transaction for the purposes of TSXV Policy 2.4. The Transaction will not require approval of the Corporation's shareholders (although certain matters relating to the implementation of the Transaction, such as the Consolidation, the proposed change in the Corporation's name and the Continuance will require shareholder approval). Other than any securities held by directors of the Corporation in each of the Corporation and EasTower, none of the Insiders (as such term is defined in the policies of the TSXV) of the

Corporation own any interest in EasTower or its assets or has any relationship with EasTower.

Trading in the common shares of the Corporation has been suspended and the shares are not expected to resume trading until the Transaction has been completed. If the Transaction is completed, the Corporation expects to be listed on the TSXV as a technology issuer.

The Corporation intends to make an application for an exemption from the sponsorship requirements of the TSXV in connection with the Transaction, however there is no assurance that the TSXV will grant such exemption from all or part of the applicable sponsorship requirements.

For further information:

Babak Pedram, Director
Telephone: (416) 995-8651

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and applicable pursuant to TSXV Requirements, majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this news release.

Forward Looking Information

*When used in this news release, the words “estimate”, “project”, “belief”, “anticipate”, “intend”, “expect”, “plan”, “predict”, “may” or “should” and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information (together, “**forward-looking information**”). Although the Corporation believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in these forward-looking information in this news release are reasonable, undue reliance should not be placed on them because the Corporation can give no assurance that they will prove to be correct. The forward-looking information in this news release include information relating to the business plans of the Corporation and EasTower, the Transaction (including TSXV approval, satisfaction of the conditions set forth in the Agreement, and the closing of the Transaction), the completion of the Financing, and the officers, directors and insiders of the Corporation upon completion of the Transaction. Such statements and information reflect the current view of the Corporation and*

EasTower, respectively. Risks and uncertainties may cause actual results to differ materially from those contemplated in these forward-looking information.

By their nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the Corporation's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: (i) there is no assurance that the Corporation and EasTower will obtain all requisite approvals for the Transaction, including the approval of the TSXV for the Transaction (which may be conditional upon amendments to the terms of the Transaction); (ii) following completion of the Transaction, the Resulting Issuer may require additional financing from time to time in order to continue its operations and financing may not be available when needed or on terms and conditions acceptable to the Resulting Issuer; (iii) new laws or regulations could adversely affect the Resulting Issuer's business and results of operations; and (iv) the stock markets have experienced volatility that often has been unrelated to the performance of companies. These fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance. There are a number of important factors that could cause the Corporation's and EasTower's actual results to differ materially from those indicated or implied by forward-looking information. Such factors include, among others: changes to the regulatory environment; industry competition; inability to implement growth strategy; results of operations and activities; and general market and industry conditions. The Corporation undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Corporation or EasTower, their respective securities, or their respective financial or operating results (as applicable).

The Corporation cautions that the foregoing list of material factors is not exhaustive. When relying on the Corporation's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Corporation has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking 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 information contained in this news release represents the expectations of the Corporation as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. The Corporation does not undertake to update this information at any particular time except as required in accordance with applicable laws.

The securities referred to in this news release have not been, nor will they be, registered under the 1933 Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This press release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities in the United States, nor in any other jurisdiction in which such offer, solicitation or sale would be unlawful. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.