FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Zonetail Inc.
123 Imperial Crescent
Bradford, On, L3Z2N3

Item 2 Date of Material Change

May 20, 2026

Item 3 News Release

The press release attached as Schedule “A” was released on May 20, 2026, through an approved Canadian newswire service.

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

Inquires in respect of the material change referred to herein may be made to:
Errol Farr, CFO
Phone: 647-296-1270
Email: errol.farr@zonetail.com

Item 9 Date of Report

May 20, 2026

SCHEDULE "A"

Zonetail

Zonetail Inc. Announces New Non-Brokered Private Placement for up to $500,000

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

TORONTO, Ontario, May 20, 2026 - Zonetail Inc. ("Zonetail" or the "Company") (TSXV: ZONE), is pleased to announce that it intends to offer for sale, on a non-brokered private placement basis, securities of the Company (the "Offering") consisting of common shares in the capital of the Company ("Zonetail Shares") at a price of $0.02 per Zonetail Share for aggregate gross proceeds of up to $500,000 ("Maximum Proceeds"). The Offering is subject to the receipt of all necessary approvals, including the approval of the TSX Venture Exchange (the "TSXV"), as well as the satisfaction of other customary closing conditions. Assuming the Maximum Proceeds are raised, the Company will issue 25,000,000 Shares.

In connection with the Offering, the Company may pay finder's fees equal to 6% of the gross proceeds in cash and issue 6% non-transferable warrants (the "Finder Warrants") to various registered dealers or finder's, representing up to 6% of the shares sold through such registered dealers or finders in the Offering. Each Finder Warrant will entitle the holder thereof to purchase one (1) Zonetail Share at a price of $0.05 per Zonetail Share for a period of thirty-six (36) months from the closing date of the offering.

The Company intends to use the proceeds from the sale of the Zonetail Shares for the completion of the Company's rent reporting portal, further development projects, sales efforts, as well as general working capital purposes.

All of the securities issuable in connection with the Offering will be subject to a hold period expiring four months and one day after the date of issuance of the securities.

The securities offered 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, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This release does not constitute an offer for sale of securities in the United States.

The Company intends to close a first tranche of the Offering on or about May 31, 2026, with a final closing no later than July 3, 2026.

About Zonetail

Zonetail Inc. (TSXV: ZONE) is a mobile platform and market network. Our Mission is to provide a state-of-the-art mobile platform that enables high-rise residents to better manage their homes by connecting people to products, amenities, and services. Our Vision is to build a critical mass of users in the hard-to-reach, high rise residential vertical, through a unique mobile market network model - providing vital information, products, and services at the tap of a screen. We are the search engine to optimize your home.

Please visit https://www.zonetail.com.

For more information, please contact:

Mark Holmes
President and CEO
Zonetail Inc.
Telephone: (416) 994-5399
mark@zonetail.com

Legal Disclaimer and Forward-Looking Statements

This press release contains forward-looking statements that relate to Zonetail's current expectations and views of future events. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "will", "expect", "anticipate", "aim", "estimate", "intend", "plan", "seek", "believe", "potential", "continue", "is/are likely to" or the negative of these terms, or other similar expressions intended to identify forward-looking statements. Certain matters discussed in this announcement contain statements, estimates and projections about the Offering, the growth of Zonetail's business, potential distribution partnerships and/or clients, and related business strategy. Such statements, estimates and projections may constitute forward-looking statements within the meaning of the federal securities laws. Factors or events that could cause our actual results to differ may emerge from time-to-time. Zonetail undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The recipient of this information is cautioned not to place undue reliance on forward-looking statements. Forward-looking statements are based on certain assumptions and analysis made by Zonetail in light of its experience and perception of historical trends, current conditions and expected future developments and other factors Zonetail believes are appropriate, and are subject to risks and uncertainties. Although Zonetail believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, prospective purchasers should not place undue reliance on these forward-looking statements.