Form 51-102F3
Material Change Report

PURSUANT TO SECTION 7.1 OF NATIONAL INSTRUMENT 51-102

1. Name and Address

Edge Total Intelligence Inc. (the "**Company**")
1501 Langston Blvd, Suite #301
Arlington, Virginia 22209
United States of America

2. Date of Material Change

December 15, 2025

3. News Release

The material change is described in a news release disseminated on December 15, 2025 and filed on SEDAR+.

4. Summary of Material Change

The Company announced the closing of an oversubscribed brokered private placement, previously announced on December 10, 2025, of 8,010 units of the Company (“**Debenture Units**”) at a price per Debenture Unit of US$1,000 for aggregate gross proceeds of US$8,010,000 (the “**Offering**”).

Each Debenture Unit is comprised of: (i) one (1) unsecured convertible debenture of the Company (each, a “**Debenture**”) in the principal amount of US$1,000; and (ii) 675 subordinate voting share (“**SVS**”) purchase warrants (each, a “**Warrant**”).

5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced the closing of an oversubscribed brokered private placement, previously announced on December 10, 2025, of 8,010 units of the Company (“**Debenture Units**”) at a price per Debenture Unit of US$1,000 for aggregate gross proceeds of US$8,010,000 (the “**Offering**”).

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Debenture

The Debentures will have a maturity date of three years following the date of issuance (the “**Maturity Date**”) and will accrue interest (“**Interest**”) at a rate of 6.00% per annum during the first year following the date of issue, 8.00% per annum during the second year, and 10.00% per annum during the third year, payable on the earlier of the Maturity Date and the date of conversion. Subject to the completion of a merger, amalgamation, share exchange or other transaction involving the Company and a US domiciled entity (the surviving entity from such transaction, the “**Resulting Issuer**”) resulting in the SVS (or such other equity securities as the SVS may be exchanged for) (the “**Resulting Issuer Shares**”) being listed on the NASDAQ or such other US stock exchange as may be determined by the Company (a “**US Exchange**”) and the Resulting Issuer (including the Company) not being listed on the TSX Venture Exchange (the “**TSXV**”) at the relevant time (the “**Trigger Event**”), the Company shall pay a make whole minimum payment of 24% non-compounded simple interest (“**Make Whole Interest**”) payable on the earlier of maturity or conversion. For so long as the Company is a Canadian entity or the *Criminal Code* (Canada) applies, no payment of interest or other amount at a rate which would be prohibited by law or would result in a receipt by the holder of any Debenture of “interest” at a “criminal rate” (as such terms are construed under the *Criminal Code* (Canada)) shall occur.

Following the completion of the Trigger Event, any accrued and unpaid principal and Interest (including Make Whole Interest, if applicable) outstanding on the Debentures shall automatically convert into Resulting Issuer Shares twenty (20) trading days following the listing of the Resulting Issuer Shares on a US Exchange at a price per Resulting Issuer Share equal to a 10% discount to the 5 trading day volume weighted average price of the Resulting Issuer Shares on the US Exchange for the 5 trading day period ending one trading day prior to the date of conversion.

Warrant

Each Warrant entitles the holder thereof to acquire one (1) SVS in the capital of the Company (or the equivalent in Resulting Issuer Shares) (each, a “**Warrant Share**”) at a price of C$2.00 per Warrant Share at any time following the completion of the Trigger Event until the eighteen month anniversary of the date of issuance subject to the acceleration as described below. At any time following the completion of the Trigger Event, the Resulting Issuer may accelerate the expiration of the Warrants to 30 days following the 30 trading day volume-weighted average price (the “**Triggering Period**”) of the Resulting Issuer Shares on the US Exchange meeting or exceeding US$4.00 by issuance of a press release provided that the average daily dollar trading volume of Resulting Issuer Shares on the US Exchange during the Triggering Period is at least US $1,000,000 per trading day.

The Debentures and the Warrants have fundamental transaction provisions that require the Debentures or the Warrants, as applicable, to become securities of the Resulting Issuer with the same economic terms. For avoidance of doubt, no conversion of the Debentures and no exercise of the Warrants shall occur at any time prior to the completion of the Trigger Event.

The net proceeds of the Offering are expected to be used for working capital requirements and for other general corporate purposes.

The Company has agreed to pay the Agent cash commissions on the gross proceeds of the Offering of up to 8% on subscriptions sourced by the Agent, plus a 1% management fee on total gross proceeds. In addition, the Agent will be issued compensation warrants representing up to 5% of the Resulting Issuer Shares underlying the Debentures, exercisable at a 25% premium to the implied conversion price of the Debentures following the Trigger Event and for up to 60 months from issuance.

All Debentures and Warrants issued pursuant to the Offering, including any Resulting Issuer Shares and Warrant Shares issuable upon the conversion or exercise thereof, will be subject to a hold period under applicable Canadian securities laws expiring four months and one day from the closing date and a hold period of one year from the closing date in accordance with applicable US securities laws, if applicable.

The Warrants and Debentures described herein have not been, and will not be, registered under the U.S. Securities Act or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release is for informational purposes only and does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

5.2 Disclosure of Restructuring Transactions

Not applicable.

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

Not Applicable

7. Omitted Information

No information has been omitted in respect of this material change.

8. Executive Officer

James Barrett, Chief Executive Officer
Telephone: 888-771-3343

9. Date of Report

December 19, 2025