Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

PopReach Corporation (dba Ionik) (“**Ionik**” or the “**Company**”)
1 University Avenue, 3rd Floor
Toronto, Ontario
M5J 2P1

Item 2. Date of Material Change

September 3, 2024

Item 3. News Release

News Release dated September 3, 2024 was disseminated via Newsfile Corp. and filed to SEDAR+ on September 3, 2024.

Item 4. Summary of Material Change

The Company acquired Nimble5, LLC ("**Nimble5**"), a performance marketing company headquartered in San Diego, California (the "**Transaction**") for a total aggregate purchase price of approximately US$33.7 million, consisting of a combination of cash, debt and stock, plus an earn-out consideration.

Item 5.1 Full Description of Material Change

Pursuant to the definitive transaction agreement (the "**Transaction Agreement**") entered into on September 3, 2024 among Ionik, Nimble5 Acquisition, Inc. (the "**Purchaser**"), a wholly owned subsidiary of Ionik, Nimble5 Holdings, Inc. (the "**Seller**"), and certain principals of the Seller (the "**Principals**"), the Purchaser acquired all of the membership interests of Nimble5 from the Seller in exchange for aggregate consideration of approximately US$33.7 million, being comprised of US$20.0 million in cash (the "**Cash Consideration**"), US$5.0 million in non-interest bearing vendor take-back debt (the "**Non-Interest Bearing Debt**"), US$6.0 million vendor take-back debt bearing interest at the rate of 10% per annum (the "**Interest-Bearing Debt**" and together with the Non-Interest Bearing Debt, collectively, the "**VTB Debt**") and the issuance of 30.0 million common shares of Ionik (the "**Consideration Shares**"), with an approximate value of US$2.7 million based on the August 30, 2024 closing price per share of C$0.12 (the "**Closing Price**") and a C$:US$ exchange rate of 1.3491. The Purchaser is also assuming up to US$1.0 million in net current liabilities on Nimble5's balance sheet.

Additionally, the Seller shall be entitled to earn-out consideration as follows: (i) 25% of Nimble5's Adjusted EBITDA for each year ending December 31, 2024 (prorated), December 31, 2025, December 31, 2026 and December 31, 2027 up to a maximum of US$10.0 million (the "**Installment Earn-Out**"); and (ii) US$30.0 million if Nimble5's Adjusted EBITDA in the 3-year period following closing of the Transaction ("**Closing**") is greater than US$25.0 million, or US$25.0 million if Nimble5's Adjusted EBITDA in such period is greater than US$20.0 million, but less than US$25.0 million (the "**Lump Sum Earn-Out**"). Payment of the Installment Earn-Out shall be made within 90 days following the end of each fiscal year in which such payment is earned and payment of the Lump Sum Earn-Out, if any, shall be made on the date that is 90 days following the third anniversary of Closing. Nimble5's Adjusted EBITDA for the financial year ending December 31, 2023 was US$12.0 million.

The Purchaser's obligations to make payment of the Non-Interest Bearing Debt shall mature on the third anniversary of Closing. The Interest-Bearing Debt shall mature on the earlier to occur of (i) an increase to Ionik's senior credit facility, (ii) December 15, 2024, if certain payments expected to be received by Nimble5 during the initial three (3) month period following Closing are made in accordance with their scheduled terms, and (iii) November 30, 2026. The VTB Debt, the Installment Earn-Out and the Lump Sum Earn-Out are secured by a security interest granted to the Seller over the assets of Nimble5, and such security interest ranks subordinate to the Ionik's senior lenders. Further, the Seller shall have the right to convert the Non-Interest Bearing Debt and the Lump Sum Earn-Out into common shares of Ionik at US$0.78 per share representing a premium to the Closing Price of approximately 875%.

The Consideration Shares and US$2.5 million of the Cash Consideration will be held back on Closing and released on the four-month anniversary and one-year anniversary of Closing, respectively, subject to reductions, if any, in connection with the Seller's obligations pursuant to the indemnification and net working capital adjustment provisions set forth in the Transaction Agreement.

The Seller and each of the Principals have, pursuant to the Transaction Agreement, agreed to customary standstill provisions for a period of at least two years following Closing. Furthermore, the Seller and each of the Principals have agreed to certain restrictions against the transfer of the Consideration Shares (collectively, the "**Locked-Up Shares**"), over a three year period, with 1/3rd of such Locked-Up Shares being released from restrictions every 12 months commencing on the one year anniversary of Closing.

The Cash Consideration is being funded through an advance under the Delayed Draw Term Loans made available to the Company pursuant to its syndicated credit facility previously announced on May 25, 2023.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

Ted Hastings
Telephone: (416) 583-5918

Item 9. Date of Report

September 13, 2024