

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Dye & Durham Limited (the “**Company**”)
1100-25 York Street
Toronto, Ontario
M5J 2V5

Item 2 Date of Material Change

May 12, 2023

Item 3 News Release

On May 12, 2023, the Company issued and filed a news release through the facilities of Cision. A copy of the news release is attached as Schedule “A” hereto and is available on SEDAR at www.sedar.com.

Item 4 Summary of Material Change

On May 10, 2022, the Company announced that its board of directors (the “**Board**”) has authorized the making of a substantial issuer bid (the “**Offer**”) pursuant to which the Company is offering to purchase for cancellation up to \$15,000,000 of the Company’s issued and outstanding common shares (the “**Common Shares**”).

On May 12, 2023, the Company announced the commencement and terms of the Offer. The Offer will expire at 5:00 p.m. (Eastern time) on June 16, 2023, unless extended, varied or withdrawn by the Company.

The Offer is being made by way of a “modified Dutch auction”, which will allow shareholders who choose to participate in the Offer to individually select the price, within a range of not less than \$17.00 per Common Share and not more than \$20.00 per Common Share (in increments of \$0.10 per Common Share), at which they are willing to sell their Common Shares. Upon expiry of the Offer, the Company will determine the lowest purchase price (which will not be more than \$20.00 per Common Share and not less than \$17.00 per Common Share) that will allow it to purchase the maximum number of Common Shares tendered to the Offer, and not withdrawn, having an aggregate purchase price not exceeding \$15,000,000.

Shareholders who wish to participate in the Offer will be able to do so through (i) auction tenders in which they specify the number of Common Shares being tendered at a specific price per Common Share, or (ii) purchase price tenders in which they agree to have a specified number of Common Shares purchased at the purchase price to be determined pursuant to the auction and have their Common Shares considered as having been tendered at the minimum price of \$17.00 for the purposes of determining the purchase price. Shareholders who validly deposit Common Shares without specifying the method

in which they are tendering their Common Shares will be deemed to have made a purchase price tender.

The formal offer to purchase and issuer bid circular, letter of transmittal and notice of guaranteed delivery (collectively, the “**Offer Documents**”) containing the terms and conditions of the Offer and instructions for tendering Common Shares have been filed with the applicable securities regulators and mailed to registered shareholders. The Offer Documents are available under the Company’s SEDAR profile at www.sedar.com.

Item 5 Full Description of Material Change

Please see the news release attached hereto as Schedule “A”.

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

For further information, contact:
Ross Marshall
LodeRock Advisors Inc.
ross.marshall@loderockadvisors.com
416.526.1563

Item 9 Date of Report

May 12, 2023

Cautionary Note Regarding Forward-Looking Information

This material change report, and the press release appended hereto, may contain forward-looking information within the meaning of applicable securities laws, which reflects the Company’s current expectations regarding future events, including regarding the timing and completion of the Offer. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “is positioned”, “estimates”, “intends”, “assumes”, “anticipates” or “does not anticipate” or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements. Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent management’s current beliefs, expectations, estimates and projections regarding future events and operating performance.

Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to, the factors discussed under "Risk Factors" in the Company's most recent annual information form. Dye & Durham does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

Schedule “A”

(see attached)



Dye & Durham Announces Commencement of Issuer Bid

Toronto, Ontario – May 12, 2023 – Dye & Durham Limited (“**Dye & Durham**” or the “**Company**”) (TSX: DND) announces today the commencement and terms of its previously announced substantial issuer bid (the “**Offer**”) under which the Company will offer to repurchase for cancellation up to \$15,000,000 of its outstanding common shares (“**Common Shares**”). The Offer commences today and will expire on June 16, 2023, unless extended, varied or withdrawn.

The Offer is being made by way of a “modified Dutch auction”, which will allow shareholders who choose to participate in the Offer to individually select the price, within a range of not less than \$17.00 per Common Share and not more than \$20.00 per Common Share (in increments of \$0.10 per Common Share), at which they are willing to sell their Common Shares. Upon expiry of the Offer, the Company will determine the lowest purchase price (which will not be more than \$20.00 per Common Share and not less than \$17.00 per Common Share) (the “**Purchase Price**”) that will allow it to purchase the maximum number of Common Shares tendered to the Offer, and not withdrawn, having an aggregate purchase price not exceeding \$15,000,000.

Shareholders who wish to participate in the Offer will be able to do so through (i) auction tenders in which they specify the number of Common Shares being tendered at a specific price per Common Share, or (ii) purchase price tenders in which they agree to have a specified number of Common Shares purchased at the purchase price to be determined pursuant to the auction and have their Common Shares considered as having been tendered at the minimum price of \$17.00 for the purposes of determining the purchase price. Shareholders who validly deposit Common Shares without specifying the method in which they are tendering their Common Shares will be deemed to have made a purchase price tender.

If the Offer would result in an aggregate purchase price of more than \$15,000,000, the Company will purchase a pro-rated portion of the Common Shares so tendered pursuant to auction tenders at or below the Purchase Price and purchase price tenders (after giving preferential treatment to “odd lot” holders).

During the six months ended May 9, 2023 the closing prices the Common Shares on the Toronto Stock Exchange (“**TSX**”) have ranged from a low of \$11.77, to a high of \$22.55. The closing price of the Common Shares on the TSX on May 9, 2023 (the last full trading day before the Company announced of its intention to make the Offer) was \$15.60.

The Offer is optional for all shareholders, who are free to choose whether to participate, how many Common Shares to tender and, in the case of auction tenders, at what price to tender within the specified range. Any shareholders who do not deposit their Common Shares (or whose Common Shares are not repurchased under the Offer) will realize a proportionate increase in their equity interest in the Company, to the extent that Common Shares are purchased under the Offer.

The Offer will not be conditional upon any minimum number of Common Shares being tendered. The Offer will, however, be subject to other conditions and the Company reserves the right, subject to applicable laws, to withdraw or amend the Offer, if, at any time prior to the payment of deposited Common Shares, certain events occur.

The formal offer to purchase and issuer bid circular, letter of transmittal and notice of guaranteed delivery (collectively, the “**Offer Documents**”) containing the terms and conditions of the Offer and instructions for tendering Common Shares have been filed with the applicable securities regulators and mailed to registered shareholders. The Offer Documents are available under the Company’s SEDAR profile at www.sedar.com.

Neither the Company nor its board of directors makes any recommendation to shareholders as to whether to tender or refrain from tendering any or all of their Common Shares to the Offer. This press release is neither an offer to purchase nor a solicitation of an offer to sell any Common Shares. The solicitation and the offer to purchase Common Shares by the Company is being made only pursuant to the Offer Documents. Shareholders of the Company are urged to read the Offer Documents carefully and to consult with their own financial, tax and legal advisors prior to making any decision with respect to the Offer.

FORWARD LOOKING INFORMATION

This press release may contain forward-looking information within the meaning of applicable securities laws, which reflects the Company’s current expectations regarding future events, including regarding the timing and completion of the Offer. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “is positioned”, “estimates”, “intends”, “assumes”, “anticipates” or “does not anticipate” or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements. Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent management’s current beliefs, expectations, estimates and projections regarding future events and operating performance.

Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company’s control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to, the factors discussed under “Risk Factors” in the Company’s most recent annual information form. Dye & Durham does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

ABOUT DYE & DURHAM LIMITED

Dye & Durham Limited is a leading provider of cloud-based software and technology solutions designed to improve efficiency and increase productivity for legal and business professionals. Dye & Durham provides critical information services and workflows, which clients use to manage their process, information and regulatory requirements. The Company has operations in Canada, the United Kingdom, Ireland and Australia and has a strong blue-chip customer base that includes law firms, financial service institutions, and government organizations.

Additional information can be found at www.dyedurham.com.

FOR FURTHER INFORMATION PLEASE CONTACT:

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