

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

KWESST Micro Systems Inc.
(“KWESST” or the “Company”)
155 Terence Matthews Crescent
Kanata, ON K2M 2A8

Item 2 Date of Material Change

December 14, 2020

Item 3 News Release

News release was disseminated on December 15, 2020 via Newsfile Corp. and filed on SEDAR.

Item 4 Summary of Material Change

The Company announced the approval and issuance of shares for debt and shares for services.

Item 5.1 Full Description of Material Change

The Company issued 24,214 common shares pursuant to an agreement with Agora Internet Relations Corp. as announced on September 17, 2020. Furthermore, the Company issued an additional 67,142 common shares to two arms length parties in order to settle outstanding unpaid debts as announced on November 25, 2020.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Jeffrey MacLeod, President & Chief Executive Officer
(519) 831-3349

Item 9 Date of Report

December 15, 2020