

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

MustGrow Biologics Corp. ("MustGrow" or the "Company")
1005 - 201 1st Ave. S.
Saskatoon, SK
S7K 1J5

Item 2 Date of Material Change

December 10, 2019

Item 3 News Release

A News Release was issued on December 10, 2019 and distributed through GlobeNewswire on December 10, 2019.

Item 4 Summary of Material Change

MustGrow closed the non-brokered private placement financing (the "**Offering**") by issuing 11,139,879 units (a "**Unit**") at a price of \$0.35 per Unit for gross proceeds of \$3,898,957.00. Each Unit consists of one common share (a "**Common Share**") of the Company and one-half of a common share purchase warrant (a "**Warrant**") exercisable into one Common Share at a price of \$0.50 per Warrant for a period of 24 months from the closing date.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

MustGrow closed the non-brokered private placement financing by issuing 11,139,879 Units at a price of \$0.35 per Unit for gross proceeds of \$3,898,957.00. Each Unit consists of one Common Share and one-half of a Warrant exercisable into one Common Share at a price of \$0.50 per Warrant for a period of 24 months from the closing date.

The Private Placement was non-brokered however the Company paid a total of \$188,345 cash and 534,987 Warrants as finders' fees in connection with the Private Placement.

All securities issued under the Private Placement, including securities issuable on exercise thereof, are subject to a hold period expiring four months and one day from the date of issuance.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"):

a) a description of the transaction and its material terms:

The Company announced a non-brokered private placement offering (the "**Offering**") of a maximum of \$4,500,000 in units (the "**Units**") at a price of \$0.35 per Unit. Each Unit consists of one common share (a "**Common Share**") of the Company and one-half of one

Common Share purchase warrant (a "**Warrant**") exercisable into one Common Share of the Company at a price of \$0.50 per Warrant for a period of 24 months from the closing date.

MustGrow announced that it has received \$3,898,957.00 from closing of the Offering on December 10, 2019.

b) the purpose and business reasons for the transaction:

The net proceeds will be used to fund research and development, and for working capital and general corporate purposes.

c) the anticipated effect of the transaction on the issuer's business and affairs:

See #5(b) above. The research and development will allow for the Company to take a significant step forward developing its mustard-derived bio-pesticide to treat soil-borne pests and diseases and an in-licensed bio-fungicide for powdery mildew.

d) a description of:

i. the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Under the Private Placement, Corey Giasson, an officer and director of the Company, together with his spouse purchased 284,000 Units, Colin Bletsky, an officer and director of the Company, together with his spouse purchased 380,000 Units, Todd Lahti, an officer of the Company, purchased 285,715 Units, and Brian Quigley, a director of the Company, purchased 286,000 Units.

ii. the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

As a result of the issuance of the Units to Corey Giasson, Mr. Giasson, when combined with the securities held by his spouse, has ownership and control of 1,152,594 Common Shares and 142,400 Warrants of the Company, representing approximately 3.190% of the issued and outstanding Common Shares of the Company calculated on a non-diluted basis as at December 10, 2019.

As a result of the issuance of the Units to Colin Bletsky, Mr. Bletsky, when combined with the securities held by his spouse, has ownership and control of 1,241,364 Common Shares and 385,000 Warrants of the Company, representing approximately 3.436% of the issued and outstanding Common Shares of the Company on a non-diluted basis as at December 10, 2019.

As a result of the issuance of the Units to Todd Lahti, Mr. Lahti has ownership and control of 709,957 Common Shares and 272,214 Warrants of the Company, representing approximately 1.965% of the issued and outstanding Common Shares of the Company on a non-diluted basis as at December 10, 2019.

As a result of the issuance of the Units to Brian Quigley, Mr. Quigley has ownership and control of 286,000 Common Shares and 143,000 Warrants of the Company, representing approximately 0.02% of the issued and outstanding Common Shares of the Company on a non-diluted basis as at December 10, 2019.

e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

A resolution of the board of directors of the Company authorized the Offering was passed on November 27, 2019.

f) A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:

N/A

g) disclosure, in accordance with section 6.8, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction

i. that has been made in the 24 months before the date of the material change report:

N/A

ii. the existence of which is known, after reasonable enquiry to the issuer or to any director or officer of the issuer:

N/A

h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:

N/A

i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:

The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contain in sections 5.5(a) and 5.7(1)(a) of MI 61-101 as neither the fair market value of the securities to be distributed in the Offering nor the consideration to be received for those securities, in so far as the Offering involves the insiders, exceeds 25% of the Company's market capitalization.

The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of this Offering as the Company was not aware of the insider's participation in the Offering at such time.

5.2 Disclosure for Restructuring Transactions

N/A

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

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Corey Giasson
Director & CEO
Phone: +1-306-668-2652

Item 9 Date of Report

December 17, 2019