FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Corporation:

Ag Growth International Inc. ("**AGI**" or the "**Company**")
198 Commerce Drive
Winnipeg, Manitoba R3P 0Z6

2. Date of Material Change:

March 29, 2022

3. News Release:

A news release disclosing the material change described herein was issued by the Company on March 29, 2022 and disseminated through the facilities of a recognized newswire service and subsequently filed on SEDAR.

4. Summary of Material Change:

On March 29, 2022, the Company announced that it had reached an agreement with a syndicate of underwriters led by CIBC World Markets Inc. and including National Bank Financial Inc., TD Securities Inc., ATB Capital Markets Inc., Scotia Capital Inc., BMO Nesbitt Burns Inc., RBC Dominion Securities Inc., Desjardins Securities Inc., Raymond James Ltd., Cormark Securities Inc., and Laurentian Bank Securities Inc. (collectively, the "**Underwriters**"), pursuant to which AGI will issue on a "bought deal" basis, subject to regulatory approval, $100,000,000 aggregate principal amount of convertible unsecured subordinated debentures (the "**Debentures**") at a price of $1,000 per Debenture (the "**Offering**"). AGI also announced that it had granted to the Underwriters an over-allotment option, exercisable in whole or in part for a period expiring 30 days following closing, to purchase up to an additional $15,000,000 aggregate principal amount of Debentures at the same price. If the over-allotment option is fully exercised, the total gross proceeds from the Offering to AGI will be $115,000,000.

5. Full Description of Material Change:

5.1 Full Description of Material Change

On March 29, 2022, the Company announced that it had reached an agreement with the Underwriters pursuant to which AGI will issue on a "bought deal" basis, subject to regulatory approval, $100,000,000 aggregate principal amount of Debentures at a price of $1,000 per Debenture. AGI also announced that it had granted to the Underwriters an over-allotment option, exercisable in whole or in part for a period expiring 30 days following closing, to purchase up to an additional $15,000,000 aggregate principal amount of Debentures at the same price. If the over-allotment option is fully exercised, the total gross proceeds from the Offering to AGI will be $115,000,000.

The net proceeds of the Offering will be used to fund the redemption of the Company's outstanding 4.50% Convertible Unsecured Subordinated Debentures due December 31, 2022 (the "**December 2022 Debentures**") and for general corporate purposes.

A preliminary short form prospectus qualifying the distribution of the Debentures will be filed with the securities regulatory authorities in each of the provinces of Canada (other than Quebec). Closing of the

Offering is expected to occur on or about April 19, 2022. The Offering is subject to normal regulatory approvals, including approval of the Toronto Stock Exchange (the "**TSX**").

The Debentures will bear interest from the date of issue at 5.20% per annum, payable semi-annually in arrears on June 30 and December 31 each year commencing June 30, 2022. The Debentures will have a maturity date of December 31, 2027 (the "**Maturity Date**").

The Debentures will be convertible at the holder's option at any time prior to the close of business on the earlier of the business day immediately preceding the Maturity Date and the date specified by AGI for redemption of the Debentures into fully paid and non-assessable common shares ("**Common Shares**") of the Company at a conversion price of $70.50 per Common Share (the "**Conversion Price**"), being a conversion rate of approximately 14.1844 Common Shares for each $1,000 principal amount of Debentures. The Debentures will not be redeemable by the Company before December 31, 2025. On and after December 31, 2025 and prior to December 31, 2026, the Debentures may be redeemed in whole or in part from time to time at AGI's option at a price equal to their principal amount plus accrued and unpaid interest, provided that the volume weighted average trading price of the Common Shares on the TSX for the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of the redemption is given is not less than 125% of the Conversion Price. On and after December 31, 2026, the Debentures may be redeemed in whole or in part from time to time at AGI's option at a price equal to their principal amount plus accrued and unpaid interest regardless of the trading price of the Common Shares.

Concurrent with the Offering, AGI also announced that it has given notice of its intention to redeem its December 2022 Debentures in accordance with the terms of the supplemental trust indenture dated January 3, 2018, governing the December 2022 Debentures. The redemption of the December 2022 Debentures will be effective on May 2, 2022 (the "**Redemption Date**"). Upon redemption, AGI will pay to the holders of December 2022 Debentures the redemption price equal to the outstanding principal amount of the December 2022 Debentures to be redeemed, together with all accrued and unpaid interest thereon up to but excluding the Redemption Date, less any taxes required to be deducted or withheld.

5.2 Disclosure of Restructuring Transaction

Not applicable.

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

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and who can be contacted is:

Jim Rudyk
Chief Financial Officer
(204) 489-1855

9. Date of Report:

April 1, 2022

Advisories

United States

This material change report is not an offer of Debentures for sale in the United States. The Debentures may not be offered or sold in the United States absent registration under the U.S. Securities Act of 1933, as amended, or an exemption from such registration. The Company has not registered and will not register the Debentures under the U.S. Securities Act of 1933, as amended. The Company does not intend to engage in a public offering of Debentures in the United States. This material change report shall not constitute an offer to sell, nor shall there be any sale of, the Debentures in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Forward-Looking Statements

This material change report contains forward-looking information within the meaning of applicable securities laws that reflects AGI's expectations regarding the future growth, results of operations, performance, business prospects, and opportunities of the Company. Forward-looking information may contain such words as "anticipate", "believe", "continue", "could", "expect", "intend", "plan", "will" or similar expressions suggesting future conditions or events. In particular, this material change report includes forward-looking statements relating to the proposed timing of completion of the Offering, the anticipated use of the net proceeds of the Offering and the timing for the redemption of the December 2022 Debentures. Such forward-looking information is based on current expectations that involve a number of risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, the failure or delay in satisfying any of the conditions to the completion of the Offering. Additional information on these and other factors that could affect AGI's operations, financial results or dividend payments are described under "Risks and Uncertainties" and "Forward-Looking Information" in AGI's most recently filed Management's Discussion and Analysis and Annual Information Form. These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking information. AGI cannot assure readers that actual results will be consistent with this forward-looking information and it undertakes no obligation to update such information except as expressly required by law.