FORM 51–102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102

Item 1 Name and Address of Company

Three Sixty Solar Ltd. (the “Issuer”)
408 - 55 Water Street, Office 8312
Vancouver, BC V6B 1A1

Item 2 Date of Material Change

June 9, 2023

Item 3 News Release

The news release dated June 9, 2023 concerning the material changes described herein was disseminated through GlobeNewswire on June 9, 2023 and subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Issuer closed an initial tranche of its previously announced non-brokered private placement, issuing 1,669,900 units of the Issuer ("**Units**") at a price of $0.60 per Unit for aggregate gross proceeds of $1,001,940.00 (the "**LIFE Offering**"). The Issuer has also closed an initial tranche of a concurrent non-brokered private placement, previously announced in its news released dated May 19, 2023 (the “**Concurrent Offering**”, and together with the LIFE Offering, the “**Offering**”), issuing 45,653 Units at a price of $0.60 per Unit for aggregate gross proceeds of $27,391.80.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Issuer closed an initial tranche of its previously announced non-brokered private placement, issuing 1,669,900 Units of the Issuer at a price of $0.60 per Unit for aggregate gross proceeds of $1,001,940.00. The Issuer has also closed an initial tranche of a concurrent non-brokered private placement, previously announced in its news released dated May 19, 2023 issuing 45,653 Units at a price of $0.60 per Unit for aggregate gross proceeds of $27,391.80.

Each Unit is comprised of one common share in the capital of the Company (a "**Share**") and one Share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one additional Share at a price of $0.75 per Share for a period of 24 months from the closing date of the Offering. In connection with the closing of the initial tranche of the Offering, the Company paid an aggregate cash commission of $22,667.40 and issued 37,450 non-transferable broker warrants (the “**Broker Warrants**”) to certain finders. Each Broker Warrant is exercisable for one Share at the exercise price of $0.60 for a period of five years from date of issue, and is subject to a statutory hold period until October 10, 2023. The Company intends to use the proceeds raised from the Offering for the procurement of sale of first commercial tower, vertical solar tower IP registration, research and development on second generation tower, business development and marketing, and general corporate purposes. Units sold under the LIFE Offering are being issued pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 Prospectus Exemptions and therefore the securities issued in the LIFE Offering will not be subject to a hold period in accordance with applicable Canadian securities laws. Units sold under the Concurrent Offering are being issued pursuant to Section 3 of BC Instrument 72-503 and, along with the Broker Warrants, are subject to a statutory hold period until October 10, 2023.

The securities issued pursuant to the Offering have not, nor will they be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons in the absence of U.S. registration or an applicable exemption from the U.S. registration requirements. This material change report shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful.

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

Brian Roth
Chief Executive Officer and Director
broth@threesixtysolar.com

Item 9 Date of Report

June 16, 2023.

<u>Forward-Looking Information</u>

Certain statements included in this material change report constitute forward-looking information or statements (collectively, “forward-looking statements”), including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “may”, “should” and similar expressions to the extent they relate to the Company or its management. The forwardlooking statements are not historical facts but reflect current expectations regarding future results or events. This material change report contains forward looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Any statements about Three Sixty’s business plans and use of proceeds, the Company's ability to receive necessary regulatory and stock exchange approvals in connection therewith and the terms associated therewith. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including, anticipated costs, and the ability to achieve its goals.

Factors that could cause the actual results to differ materially from those in the forward-looking statements include, failure to obtain regulatory approval, the continued availability of capital and financing, and general economic, market or business conditions, changes in legislation and regulations, increase in operating costs, equipment failures, failure of counterparties to perform their contractual obligations, litigation, the loss of key directors, employees, advisors or consultants and fees charged by service providers. Forward-looking statements contained in this material change report are expressly qualified by this cautionary statement. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the listing of the common shares of the Company upon completion of the Offering will occur. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.