FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and address of Company:

Alterrus Systems Inc.
120 Columbia Street
Vancouver BC
V6A 3Z8

Item 2. Date of material Change:
November 8th, 2013

Item 3. News Release:
A press release describing the material change was issued by the Company on November 8th, 2013. Copy attached.

Item 4. Summary of Material Change:

The Company, in an effort to strengthen its balance sheet and clear a substantial amount of its current liabilities, has settled $ 3,416,831 of debt owed to 17 creditors by the issuance of an aggregate 48,811,868 common shares of the Company at a deemed price of $0.07 per share. The common shares issued to the Company's creditors are subject to a hold period in British Columbia expiring March 9th, 2014. In addition the Company has issued two year 8% Promissory Notes to 2 creditors in the sum of $156,396 to offset the creditors current positions.

Item 5. Full Description of Material change:

Not applicable. Disclosure in Item 4 fairly and clearly reflects the nature of the change.

Item 6. Reliance on subsection 7.1(2) or (3) of Regulation 51-102

This report is not being filed on a confidential basis.

Item 7. Omitted Information:

None.

Item 8. Executive Officer:

Christopher Ng
Chief Executive Officer
604.218.8618
cng@alterrus.ca

Item 9. Date of Report

November 18th, 2013

Alterrus Systems Inc. announces Shares for Debt settlement and CEO Christopher Ng provides an update on Company activities.

VANCOUVER, CANADA, *November 8th, 2013* - **Alterrus Systems Inc.** (CNSX: ASI & OTCQB: ASIUF)

Alterrus Systems Inc. (the "Company") announces that it has settled $ 3,416,831 of debt owed to 17 creditors by the issuance of an aggregate 48,811,868 common shares of the Company at a deemed price of $0.07 per share. The common shares issued to the Company's creditors are subject to a hold period in British Columbia expiring March 9th, 2014. In addition the Company has issued two year 8% Promissory Notes to 2 creditors in the sum of $156,396 to offset the creditors current positions.

BY THE ORDER OF THE BOARD OF DIRECTORS

Christopher Ng, CEO, reviews important developments

ASI has a number of important events to report to shareholders that have occurred over the past several weeks that are important to the future direction of the Company. These are as follows:

- Mr. Clay Haeber has been appointed to the Board of Directors of the Company effective November 1st, 2013. Clay brings a wealth of business experience to the Board and is a highly accomplished, entrepreneurial IT Director with 20+ years of experience leading high-performing teams to develop, implement, and manage innovative technical solutions that drive strategic business growth, streamline operations, and enhance productivity. Clay currently holds the position of President of Logistics and Technology for Institute B. Prior to institute B, Clay was the Director of IT and acting CIO for lululemon Athletica, a Yoga inspired athletic-apparel company with $1 Billion in annual revenue;

Clay's experience in the technology field will be helpful during the growth phase of ASI where technological advances are the key components for productivity and efficiency.

- As reported the Company has settled $ 3,416,831 of debt owed to 17 creditors by the issuance of an aggregate 48,811,868 common shares of the Company at a deemed price of $0.07 per share. In addition the Company has issued two year 8% Promissory Notes to 2 creditors in the sum of $156,396 to offset the creditors current positions;

The preparedness of our creditors to convert to equity is a real testament of their belief in ASI's ability for success.

- The Company has taken the opportunity to move its research and development activities to Vancouver and will be closing its UK based initiative by December 31st, 2013. The VertiCrop™ work done in conjunction with the Paignton Zoological Park has been instrumental to ASI's development. The timing is right for moving these activities to Vancouver where our commercial operation provides added insights to our R & D efforts. This will reduce our monthly burn rate as well as reduce our communication costs;

- **As a result of this move ASI will, as planned, have completed its trials for BEIG in the UK effective December 31st and will continue to share results achieved in Vancouver.**

The ability to have real time R+D results in our own backyard is more efficient and it makes more sense that we have a commercial operation to reflect our data upon.

- ASI is in the process of executing an MOU with **prospective client in China to showcase VertiCrop™ technology;**

About Alterrus Systems Inc. Alterrus is a publicly traded company (CNSX: ASI & OTCQB: ASIUF) headquartered in Vancouver, Canada. Alterrus has created a sustainable vertical growing system that grows fresh, nutritious, leafy green vegetables in urban environments where they are to be consumed. Alterrus is a registered B Corp Company.

Forward-Looking Statements

Certain statements in this press release constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Alterrus Systems Inc. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Unless required by applicable securities law Alterrus does not assume any obligation to update these forward-looking statements.

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The CNSX has neither approved nor disapproved the contents of this press release. The CNSX does not accept responsibility for the adequacy or accuracy of this release.