CUBICFARM SYSTEMS CORP.

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

CubicFarm Systems Corp. ("**CubicFarm**" or the "**Company**")
353 – 19951 80A Avenue
Langley, BC V2Y 0E2

Item 2. Date of Material Change

November 17 and November 24, 2021

Item 3. News Release

News releases were disseminated via Newswire and filed on SEDAR on November 17 and November 24, 2021.

Item 4. Summary of Material Change

On November 17, 2021 the Company announced that it entered into an agreement with Raymond James Ltd., Stifel Nicolaus Canada Inc., and Canaccord Genuity Corp. as joint bookrunners, on behalf of a syndicate of underwriters (collectively, the "Underwriters"), pursuant to which the Underwriters agreed to purchase, on a "bought deal" basis, 16,000,000 common shares (the "Common Shares") of the Company at a price of C$1.25 per Common Share (the "Issue Price") for aggregate gross proceeds to the Company of approximately C$20 million (the "Offering").

On November 24, 2021 the Company announced the closing of the Offering.

Item 5. Full Description of Material Change

On November 17, 2021 the Company announced the Offering.

The Company agreed to grant the Underwriters an over-allotment option to purchase up to an additional 15% of the Common Shares at the Issue Price, exercisable in whole or in part at any time for a period ending 30 days from the closing of the Offering.

The net proceeds from the Offering will be used for continued organic growth, technology development, working capital and general corporate purposes.

The Common Shares were to be offered under the short form base shelf prospectus (the "Base Prospectus") of the Company dated December 14, 2020, as amended and restated on April 20, 2021, and as further amended and restated on October 13, 2021, as supplemented by a shelf prospectus supplement (the "Supplement") to be prepared and filed in each of the provinces of Canada, other than the Province of Quebec (collectively, the "Jurisdictions") and by way of a private placement in the United States, and in those jurisdictions outside of Canada and the United States which are agreed to by the Company and the Underwriters, where the Common Shares can be issued on a private placement basis, exempt from any prospectus, registration or other similar requirements.

The Offering was expected to close on or about November 24, 2021, and was subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Toronto Stock Exchange.

On November 24, 2021 the Company announced the closing of the Offering.

The Offering was conducted through the group of Underwriters, and Echelon Wealth Partners Inc., by way of the Base Prospectus of the Company as supplemented by the Supplement prepared and filed in the Jurisdictions, and by way of a private placement in the United States.

Pursuant to the Offering, the Company issued the Common Shares at the Issue Price for gross proceeds to the Company of C$20,000,000.

No securities regulatory authority has either approved or disapproved the contents of this report. This report does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale or any acceptance of an offer to buy these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful.

Arctic Securities LLC acted as Global Financial Advisor in connection with the Offering.

The securities have not been, and will not be, registered under the *United States Securities Act of 1933*, as amended (the "U.S. Securities Act"), or any U.S. state securities laws, and may not be offered or sold in the United States without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an applicable exemption therefrom. This report shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About CubicFarm

CubicFarm is the leading local chain agricultural technology company developing and deploying technology to feed a changing world. Its proprietary ag-tech solutions enable growers to produce high quality, predictable produce and fresh livestock feed with HydroGreen Nutrition Technology, a division of CubicFarm Systems Corp. The CubicFarm™ system contains patented technology for growing leafy greens and other crops onsite, indoors, all year round. CubicFarm provides an efficient, localized food supply solution that benefits our people, planet, and economy.

Forward looking and other cautionary statements

Certain statements in this report constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws, including, without limitation, statements with respect to: the use of proceeds from the Offering and the Company's ability to advance the commercialization of its indoor growing technologies, to expand its business development and sale efforts, and to transform agriculture and enable farmers and ranchers to grow sustainably for generations to come. Such statements involve known and unknown risks, *uncertainties, and other factors which may cause the actual results, performance, or achievements of CubicFarm Systems Corp., or industry results, to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements or information including the Company obtaining the approval of the Offering from the Toronto Stock Exchange and the other factors disclosed under "Risk Factors" in the Company's annual information form for the year ended December 31, 2020, which is incorporated by reference in the Prospectus, and those risks described in other documents incorporated or deemed to be incorporated by reference in the Prospectus. Such statements can be identified by the use of words such as "intend", "expect", "believe", "plan", "anticipate", "estimate", "scheduled", "forecast", "predict", and other similar terminology, or state that certain actions, events, or results "may", "can", "could", "would", "might", or "will" be taken, occur, or be achieved.*

These statements reflect the Company's current expectations regarding future events, performance, and results and speak only as of the date of this report. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Except as required by securities disclosure laws and regulations applicable to the Company, the Company undertakes no obligation to update these forward-looking statements if the Company's expectations regarding future events, performance, or results change.

Item 5. Reliance on 7.1(2) of National Instrument 51-102

Not applicable.

Item 6. Omitted Information

Not applicable.

Item 7. Executive Officer

Name of Executive Officer: Dave Dinesen
Chief Executive Officer

Telephone number: (604) 220 1370

Item 8. Date of Report

November 26, 2021