

NOTICE OF CHANGE IN CORPORATE STRUCTURE

Pursuant to Section 4.9 of National Instrument 51-102 Continuous Disclosure Obligations

KWESST Micro Systems Inc.

Item 1 Name of the Parties to the Transaction

KWESST Micro Systems Inc. (formerly Foremost Ventures Corp.) (the "**Issuer**"), 2751530 Ontario Ltd., a wholly-owned subsidiary of the Issuer, and KWESST Inc. ("**KWESST**").

Item 2 Description of the Transaction

On September 17, 2020, 2751530 Ontario Ltd., a wholly-owned subsidiary of the Issuer, amalgamated with KWESST (the "**Amalgamation**") to complete its arm's length qualifying transaction in accordance with the policies of the TSX Venture Exchange (the "**Qualifying Transaction**"). Prior to the completion of the Qualifying Transaction, the Issuer effected a consolidation of its outstanding common shares on the basis of one post-consolidation common share for every 4.67 pre-consolidation common shares.

The Amalgamation was structured as a three-cornered amalgamation and as a result the amalgamated corporation became a wholly-owned subsidiary of the Issuer, and changed its name from Foremost Ventures Corp. to KWESST Micro Systems Inc. As a part of the Qualifying Transaction, all of the outstanding common shares of KWESST were cancelled and, in consideration therefor, the holders thereof received one post-consolidation common share of the Issuer for each common share of KWESST.

The Qualifying Transaction was accounted as a reverse takeover where KWESST is the reverse takeover acquirer.

Item 3 Effective Date of Transaction

The effective date of the Qualifying Transaction is September 17, 2020.

Item 4 Names of Each Party, if any, that Ceased to be an Issuer Subsequent to the Transaction and of each Continuing Entity

Not applicable.

Item 5 Date of the Issuer's First Financial Year-End Subsequent to the Transaction

From an accounting perspective, upon completion of the Qualifying Transaction, the Issuer's year-end would be KWESST's year-end, namely December 31st, 2020. Upon further consideration, the Issuer changed its financial year end from December 31st to September 30th. Accordingly, the Issuer's will file audited financial statements for its nine-month period ended September 30, 2020, and its next financial year-end shall be September 30th, 2021.

Item 6 **Periods, including comparative periods, if any, of the Interim and Annual Financial Statements Required to be Filed for the Issuer's First Financial Year Subsequent to the Transaction**

The Issuer shall file the following interim and annual financial statements:

- (a) Audited financial statements for its nine-months ended September 30, 2020, compared to KWESST's year ended December 31, 2019.
- (b) Unaudited interim financial statements for the Issuer for the three-months ending December 31, 2020, compared to KWESST's three-months ended December 31, 2019.
- (c) Unaudited interim financial statements for the Issuer for the three and six-months ending March 31, 2021, compared to KWESST's three and six-months ended March 31, 2020.
- (d) Unaudited interim financial statements for the Issuer for the three and nine-months ending June 30, 2021, compared to KWESST's three and nine-months ended June 30, 2020.
- (e) Audited financial statements for its financial year ending September 30, 2021, compared to its audited financial statements for its nine-months ended September 30, 2020.

In addition, KWESST shall file the following interim financial statement:

- (a) Unaudited interim financial statements for the three and six-months ended June 30, 2020, compared to KWESST's three and six-months ended June 30, 2019.

Item 7 **Documents filed under NI 51-102 that described the Transaction**

The following documents have been filed on the Issuer's SEDAR profile:

- Press releases dated March 3, 2020, May 4, 2020, July 9, 2020, September 2, 2020, September 17, 2020.
- Material change reports dated March 4, 2020, May 4, 2020, July 6, 2020, and September 17, 2020.
- Issuer's management information circular dated March 30, 2020 in connection with the special meeting of shareholders of the Issuer held on May 1, 2020.
- Filing statement dated August 28, 2020.

Dated: November 10, 2020