

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

Bee Vectoring Technologies International Inc. (the “**Issuer**”)
#7 - 4160 Sladeview Crescent
Mississauga, ON L5L 0A1

Item 2 Date of Material Change

September 22, 2020

Item 3 News Release

The news release was disseminated on September 22, 2020 by way of the facilities of Newsfile Corp. The news release was also filed on SEDAR with the Ontario Securities Commission, British Columbia Securities Commission and the Alberta Securities Commission.

Item 4 Summary of Material Change

The Issuer announced that it has reached another important milestone in its ability to unlock new revenue streams through third-party product in-licensing, after having successfully concluded Phase 2 evaluations. Following Phase 1 testing of six products, the Issuer completed a Phase 2 proof-of-concept field trial with two biological insecticides in North America. Field trials in Europe with a third biological insecticide, in addition to a biological fungicide are in progress and are expected to be completed by late fall.

The objective for these initial field trials is to confirm successful delivery of the products to crops of interest through BVT’s natural precision agriculture dispensing systems and to assess initial product efficacy. In the North American trial, the biological insecticides were found to be present in the flower tissue following application, confirming that microorganisms were successfully delivered and subsequently colonized the crop through the BVT system. Furthermore, a reduction in the population of crop damaging plant bugs was observed in the crop during the course of the season – establishing the biological efficacy of these systems for managing pest pressure.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the attached news release.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Ashish Malik – President & CEO

Business Telephone: 604-687-2038
Facsimile: 604-687-3141

Item 9 Date of Report

September 28, 2020

FOR IMMEDIATE RELEASE



Bee Vectoring Technologies Successfully Completes Phase 2 Evaluations of Biological Products for In-licensing and Revenue Extension

Mississauga, ON Canada and Sacramento, CA USA (September 22, 2020) – Bee Vectoring Technologies International Inc. (the “Company” or “BVT”) (CSE: BEE) (OTCQB: BEVVF) (CVE:BEE) announced today that it has reached another important milestone in its ability to unlock new revenue streams through third-party product in-licensing, having successfully concluded Phase 2 evaluations. Following [Phase 1 testing of six products](#), the Company completed a Phase 2 proof-of-concept field trial with two biological insecticides in North America. Field trials in Europe with a third biological insecticide, in addition to a biological fungicide are in progress and are expected to be completed by late fall.

The objective for these initial field trials is to confirm successful delivery of the products to crops of interest through BVT’s natural precision agriculture dispensing systems and to assess initial product efficacy. In the North American trial, the biological insecticides were found to be present in the flower tissue following application, confirming that microorganisms were successfully delivered and subsequently colonized the crop through the BVT system. Furthermore, a reduction in the population of crop damaging plant bugs was observed in the crop during the course of the season – establishing the biological efficacy of these systems for managing pest pressure.

“With the positive completion of Phase 2, BVT is a step closer to in-licensing agreements with third parties and unlocking multiple new revenue streams. The products under evaluation are already commercially available and registered in the US or the EU, which means we can get to revenue faster without completing some of the registration requirements that can be time consuming and costly,” said Ashish Malik, CEO of Bee Vectoring Technologies. “Environmentally responsible pest and disease management, in-hand with improving crop yields, are critical challenges for growers. Hence, the more biological products we can incorporate through our proprietary delivery system the broader the market acceptance and adoption, which will in turn create higher revenue potential for BVT.”

These successful results from Phase 2 mean the Company can now begin discussions on contractual arrangements. “In Phase 3, we will be collaborating closer with our new partners to develop the framework for an agreement and to plan for larger scale field trials in 2021,” continued Mr. Malik. “We will also be conducting Phase 1 lab trials on additional product candidates – our goal is to have a constant funnel of opportunities for evaluation so we can continuously feed product line extensions to the market over time.”

Extending BVT’s product line through in-licensing of third-party products is one of the key innovation projects for the Company, enabling it to increase the addressable portion of the US\$240 billion⁽¹⁾ crop protection and fertilizer global market. The Company estimates the worldwide market opportunity for in-licensed products to be US\$5 billion⁽²⁾ while BVT’s addressable portion for each product will be based on its spectrum of control and the geographic scope of the contractual terms with each third-party partner. The initial products being evaluated by the Company are biological insecticides that can be used

together with (called “stacking” two or more microbes together) or separately from BVT’s proprietary *Clonostachys rosea* strain CR-7 resulting in an increased market value of the Company’s system to growers and biological fungicides that are already registered in numerous countries. Products that successfully complete all five phases of in-licensing evaluation have the potential to deliver additional revenue and extend BVT’s reach geographically and into new crops.

In Phase 1, products are lab-tested for compatibility with BVT’s system and beneficial microbe CR-7, and to evaluate if bees can carry the product as they forage. Shortlisted products continue to Phase 2 proof-of-concept field trials to evaluate if the product is delivered successfully to the crop, and for an initial efficacy assessment of the system to control the target pests or diseases.

Phase 3 will have BVT working with partner companies on market and business refinement, including formulating the basis of a potential agreement. Phase 4 will move to large-scale field efficacy trials and could include some bee safety confirmation work; and Phase 5 will involve regulatory work to add bee vectoring as a use to each third-party product label, if needed. After that, BVT will launch the new product line extensions to growers –potentially starting as early as in 2022.

⁽¹⁾ Source: Flueckiger C. Chemical pesticide use will be drastically reduced in the long term.
www.FlueckigerConsulting.com.

⁽²⁾ Source: Company estimates derived from market knowledge of use of fungicides and insecticides to control pests and diseases associated to crop flowering time.

About [Bee Vectoring Technologies International Inc.](#)

BVT, an agriculture technology company, is a market disruptor with a significant global market opportunity in the \$240 billion crop protection and fertilizer market. BVT has pioneered a natural precision agriculture system that replaces chemical pesticides and wasteful plant protection product spray applications by delivering biological pesticide alternatives to crops using commercially grown bees. BVT’s award-winning technology, precision vectoring, is completely harmless to bees and allows minute amounts of naturally-derived pesticides (called biologicals) to be delivered directly to blooms, providing improved crop protection and yield results than traditional chemical pesticides – and improving the health of the soil, the microbiome and the environment. Currently, BVT has over 65 granted patents, over 35 patents pending in all major agricultural countries worldwide, and has US EPA registration of its VECTORITE™ with CR-7 (EPA Registration No. 90641-2) for sale as a registered biological fungicide for use on the labeled crops.

Additional information can be viewed at the Company’s website www.beevt.com. To receive regular news updates from the Company, subscribe at www.beevt.com/newsletter.

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