

**Biosenta Inc.**  
**Form 51-102F3**  
**Material Change Report**  
**FILED PURSUANT TO NATIONAL INSTRUMENT 51-102**

**Item 1 Name and Address of Company**

Biosenta Inc. (the “Corporation”)  
3080 Yonge St., Suite 6020  
Toronto, Ontario M4N 3N1

**Item 2 Date of Material Change**

November 19, 2015.

**Item 3 News Release**

A press release in respect of the material change was issued by the Corporation through Marketwired and filed on SEDAR at [www.sedar.com](http://www.sedar.com) on November 19, 2015.

**Item 4 Summary of Material Change**

The Corporation announced a restructuring proposal to its creditors.

**Item 5 Full Description of Material Change**

The Corporation announced that it has filed a restructuring proposal to creditors (the “Proposal”). The Proposal is made under the *Canadian Bankruptcy and Insolvency Act* (the “Act”). A copy has been filed on the Corporation’s profile at [www.sedar.com](http://www.sedar.com). The Proposal has been approved by the board of the Corporation, which has appointed Farber Financial Group as the trustee (the “Trustee”).

Under this Proposal, eligible creditors will be given the choice of receiving either up to 50% of the eligible claim amount in cash (with 15% up front, subject to proration if aggregate payments thereunder would exceed \$215,000, and 35% payable contingent on there being sufficient cash flow over time) or in common shares (based on approximately 18,248 shares per \$1,000.00 of eligible claim amount, or approximately \$0.05 per share, assuming that 30% of unsecured creditors accept equity) as full and final settlement of claims.

A 30% acceptance of equity rate by unsecured creditors would result in the issuance of approximately 52.34 million shares for a price of approximately \$0.05 per share. If 100% of unsecured creditors accepted equity, which is not expected, approximately 655.5 million shares would be issued for a price of approximately \$0.0095 per share.

Secured creditors that have either invested or expressed a willingness to invest up to \$800,000 in total on a secured basis to help finance the Corporation while it pursues the Proposal, have entered into general security agreements which include all assets of the Corporation as security. If the Proposal succeeds, it is expected that they would also receive shares on the same basis described above.

In addition to the up to \$300,000 loan to the Corporation announced on November 2, 2015, a third party, New South Biolabs LLC, has expressed interest in funding up to \$500,000 on similar terms, contingent on progress with the Proposal. More particularly, upon the Proposal being confirmed by the Trustee as having been accepted by the requisite eligible creditors, the third party proposes to subscribe for \$500,000 in aggregate worth of 1%, secured (2<sup>nd</sup> ranking), 6 month term to maturity (subject to early maturity on bankruptcy), no covenant, convertible debentures, on the following subscription schedule:

- a. On the business day following such completion, \$150,000;
- b. 30 days following such completion (or the next business day, if it is not a business day), \$150,000;
- c. 60 days following such completion (or the next business day, if it is not a business day), \$100,000; and
- d. 90 days following such completion (or the next business day, if it is not a business day), \$50,000.

They would be mandatorily converted into Biosenta common shares (based on the same conversion ratio as applies to unsecured creditors) immediately following the entry into effectiveness of the Proposal (with court approval). If the Proposal becomes effective before the date of proposed issuance of any of the convertible debentures, then the applicable common shares would be issued in lieu of the convertible debentures on the same timetable.

In addition, it is proposed that the Corporation and New South Biolabs LLC (“NSB”) would mutually agree to terminate all obligations of both parties under their existing agreement dated March 2013, and irrevocably release each other from any and all claims against each other in connection therewith, and that, in exchange for past financial contributions, NSB would receive additional common shares of the Corporation. Assuming that 30% of unsecured creditors accept equity, NSB would hold approximately 18.39 million shares or 13.57% of the total issued and outstanding shares in the event that the Proposal is successfully completed.

All common shares issued as described above would be subject to a minimum 4 month hold period. It is unclear whether the Corporation will be able to maintain its current stock exchange listing, and it may well be delisted.

By virtue of a court order, legal proceedings against the Corporation have been stayed at this time.

A meeting of eligible creditors is scheduled for December 7, 2015 at 2 pm (Toronto time) at the Trustee's offices, which are located at Suite 1600, 150 York St Toronto, Ontario, Canada M5H 3S5.

The board of the Corporation has approved the Proposal, as the Corporation is unable to pay creditors in full in a timely manner. Management of the Corporation has made every effort to raise funds over the past 10 months, without success, most probably as a consequence of the effects of the possible improprieties and breaches of fiduciary duty that may have been committed by former directors, as reported in a press release on March 26, 2015.

While there can be no assurance of success, the Corporation is confident that, if the restructuring proposal is successfully completed, it will be in a much better position to achieve success with its disinfectant products. In particular, the Corporation intends to launch its disinfectant in the U.S. in early 2016 and seek approvals of its Tri-Filler™ industrial product, which has been tested with potential customers, as soon as possible. With new funding and an improved balance sheet, the Corporation is aiming to be cash flow positive in 2016.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This material change report is not being filed on a confidential basis.

**Item 7 Omitted Information**

None.

**Item 8 Executive Officer**

The following is the name and business telephone number of an executive officer of the Corporation who is knowledgeable about the material change and this report.

Dene Rogers, President and CEO

Tel: 416-410-2019

Email: [dene@biosenta.com](mailto:dene@biosenta.com)

**Item 9 Date of Report**

November 19, 2015

**BIOSENTA INC.**

By: *"Dene Rogers"*

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President and CEO