

FORM 51-102F3

**MATERIAL CHANGE REPORT  
UNDER NATIONAL INSTRUMENT 51-102**

1. **Name and Address of Company**

BacTech Environmental Corporation  
50 Richmond Street East, Suite 300  
Toronto, Ontario M5C 1N7

2. **Date of Material Change**

June 1, 2011

3. **News Release**

A news release with respect to the material change referred to in this report was issued on June 1, 2011 and subsequently filed on SEDAR.

4. **Summary of Material Change**

BacTech Environmental Corporation announced that it intends to raise up to \$3,000,000 by way of a private placement of common share units.

5. **Full Description of Material Change**

BacTech Environmental Corporation ("BacTech" or the "Company") announced that it intends to raise up to \$3,000,000 by way of a private placement of common share units.

BacTech will issue up to 15,000,000 units at \$0.20 per unit. Each unit will consist of one common share and one-half of a Series B common share purchase warrant. Each whole Series B warrant will entitle the holder to purchase one common share at a price of \$0.30 for a period of one year from the date of issue. The common shares and warrants will be subject to a four month hold period.

In connection with the private placement, finder's fees of 6% cash and 6% finder's warrants may be paid to arm's length parties who introduce subscribers for the units. Each finder's warrant will be exercisable for one common share at \$0.20 for a period of two years from closing.

The proceeds of the private placement will be used for the Snow Lake project in Manitoba, general working capital, and ongoing test work.

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

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Executive Officer**

For further information, contact Ross Orr, President and Chief Executive Officer of BacTech Environmental Corporation at (416) 813-0303.

9. **Date of Report**

June 3, 2011