

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**

July 24, 2014

3. **News Release**

A news release with respect to the material change referred to in this report was issued on July 21, 2014 and subsequently filed on SEDAR.

4. **Summary of Material Change**

**SHAREHOLDERS OF BACTECH APPROVE SHARE CONSOLIDATION**

5. **Full Description of Material Change**

At the shareholders meeting held on July 3, 2014, shareholders approved the consolidation of the Company's shares on the basis of one post-consolidation common share for each five pre-consolidation common shares. The consolidation is subject to acceptance for filing by the Canadian Securities Exchange ("CSE"). The name of the Company will not be changed as a result of the consolidation.

The 56,755,027 Common Shares issued and outstanding prior to the Consolidation, which will be effective as of July 24, 2014, will be consolidated to approximately 11,351,005 Common Shares. If, as a result of the Consolidation, a Shareholder would otherwise be entitled to a fraction of a post-Consolidation Common Share, the number of post-Consolidation Common Shares will be rounded up to the nearest whole number. The Company's currently outstanding stock options and warrants will be adjusted on the same basis with proportionate adjustments being made to the stock option and warrant exercise prices.

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**

July 24, 2014