

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Breathtec BioMedical, Inc. (the “**Company**”)
Suite 890 – 789 West Pender Street
Vancouver BC V6C 1H2

Item 2. Date of Material Change

February 1, 2016.

Item 3. News Release

News Release dated January 29, 2016 was disseminated via Stockwatch and Market News and filed on Sedar on January 29, 2016.

Item 4. Summary of Material Change

The Company announced listing on Canadian Securities Exchange and provided a summary of the plan of merger transaction.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company, a medical diagnostics company focused on developing, in-licensing and commercializing proprietary, innovative and best-in-class breath analysis devices for the early detection of infections and life threatening diseases is pleased to announce that the Company expects to start trading on the Canadian Securities Exchange (the “**Exchange**”) on February 1, 2016 under the symbol “BTH”.

Breathtec will be focusing its efforts to develop hand held breath testing and analysis tools for the early detection of infections, diabetes, and certain types of cancer.

Transaction and Private Placement

The Company completed a plan of merger (the “**Transaction**”) on October 26, 2015, whereby the Company acquired 100% of the issued and outstanding common shares of Breathtec Biomedical, Inc., a Florida State corporation (“**TargetCo**”), through the merger of the Company’s wholly-owned subsidiary, Breathtec Merger Co., Inc., with TargetCo as the surviving subsidiary of the Company. Pursuant to the plan of merger, the Company issued an aggregate of 15,605,400 common shares to the shareholders of TargetCo. Certain shares issued

to the principals of the Company are subject to escrow conditions required by applicable securities laws and the Exchange requirements.

In connection with the Transaction, the Company closed a private placement on October 14, 2015 (the “**Private Placement**”) consisting of 7,101,400 units (the “**Units**”) at a price of \$0.25 per Unit for gross proceeds of \$1,775,350. Each Unit consisted of one common share in the capital of Breathtec (a “**Share**”) and one half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one additional Share at an exercise price of \$0.40 until October 14, 2017.

In connection with the Private Placement, Breathtec paid an aggregate finder’s fees of \$120,028 and issued 480,112 common share purchase warrants (the “**Finder Warrants**”). Each Finder Warrant is exercisable for one Share at an exercise price \$0.25 per Share until October 14, 2017.

Pursuant to applicable securities laws, all securities issued in connection with the Private Placement are subject to a hold period expiring February 15, 2016.

For further details on the Transaction and the Private Placement see the Company’s final prospectus dated January 28, 2016 (a copy of which is available under the Company’s SEDAR profile at www.sedar.com).

The securities issued pursuant to the Transaction and the Private Placement have not been registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities issued by the Company pursuant to the Transaction and the Private Placement are “restricted securities” as defined under Rule 144(a)(3) of the U.S. Securities Act and contain the appropriate restrictive legends as required under the U.S. Securities Act and Canadian Securities Administrators National Instrument 45-102.

Stock Option Incentive Plan and Option Grant

In connection with the Company’s Exchange listing, the Company issued an aggregate 3,750,000 incentive stock options (the “**Options**”) in accordance with the Company’s stock option plan (the “**Option Plan**”) to certain directors, officers and consultants of the Company. Each Option entitles the respective optionee to purchase one Share at an exercise price of \$0.25 per Share until January 28, 2021. The Options and any Shares issued upon exercise will be subject to a four month resale restriction from the date of grant.

The Option Plan adopted by the board of directors (the “**Board**”) concurrent with the closing of the Transaction is a “rolling” stock option plan, pursuant to which the Board may from time to time, in its discretion, and in accordance with Exchange and regulatory requirements, grant to directors, officer, employees and consultants, non-assignable and non-transferable options to purchase shares of common, provided that the number of Shares reserved

for issuance will not exceed 10% of the then issued and outstanding common shares of the Company.

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

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Kal Malhi, President and director
Telephone: 604 304-4087.

Item 9. Date of Report

DATED at Vancouver, British Columbia, this 29th day of January, 2016.