51-102F3
Material Change Report

Item 1 Name and Address of Company

Gold Bullion Development Corp. (the “Company” or “Gold Bullion”)
Suite 1005, 1155 Rene Levesque Street West
Montreal, Quebec
H3B 2J2

Item 2 Date of Material Change

July 3, 2012.

Item 3 News Release

News release was disseminated on July 3, 2012 through the services of Canada Newswire.

Item 4 Summary of Material Change

The Company has filed a counter-claim against Genivar Inc.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Gold Bullion announced that it had filed a counter-claim against Genivar Inc. before the Superior Court of Québec (500-17-070970-127). In its counter-claim, Gold Bullion is claiming the amount of $25,431,906.10 in damages from Genivar as a result of the failure by the latter to properly perform its contractual obligations in relation to the Granada and Castle Mines projects. In the same proceeding, Gold Bullion also denied owing the amount of $783,652.06 which Genivar is claiming.

“No company ever wants to have to file a claim of this nature before the Courts” said Frank Basa, President and CEO of Gold Bullion Development Corp., “but we believe we had no other alternative in the matter. Genivar’s failure to properly perform the work it was hired for in relation to the Granada and Castle Mines caused us substantial damages and the loss of at least one very interesting business opportunity.”

The respective claims will now make their way through the Québec Court system, where Gold Bullion firmly intends to assert its rights.

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**

Frank Basa
President and Chief Executive Officer
Gold Bullion Development Corp.
Tel: 514-397-4000 / Fax: 514-397-4002

Item 9 **Date of Report**

July 16, 2012