

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Corporation

Groupe Bikini Village inc. (the “**Corporation**”)
2101-A Nobel Street
Ste-Julie, Québec J3E 1Z8

Item 2 Date of Material Change

October 22, 2014

Item 3 News Release

A news release with respect to the material change referred to in this report was disseminated on October 22, 2014 through Marketwired.

Item 4 Summary of Material Change

On October 22, 2014, the Corporation entered into a \$750,000 secured short term bridge loan and completed a \$1,000,000 private placement of secured redeemable debentures. Mr. Scott Leckie has resigned as a director of the Corporation.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Corporation has entered into a \$750,000 secured short term bridge loan (the “**Loan**”) and has successfully completed a private placement (the “**Private Placement**”) of secured redeemable debentures for an aggregate principal amount of \$1,000,000 (the “**Debentures**”). Shareholders of the Corporation subscribed to the Debentures. The Loan and Private Placement will provide additional short term working capital to the Corporation.

The Loan bears interest at an annual rate of 12% and will be reimbursable in tranches; the first tranche is in the amount of \$250,000 due on December 31, 2014, the 2nd tranche in the amount of \$125,000 due on January 15, 2015 and the balance in the amount of \$375,000 is due at the expiry of the Loan on January 31, 2015.

The Debentures will mature on January 31, 2015 (the “**Maturity**”) and bear interest at an annual rate of 12%, which is payable in full, along with the principal amount, at Maturity. The Corporation has the option to redeem the Debentures, in whole or in part, before Maturity.

Takota Asset Management (“**Takota**”) currently has ownership or control of 288,780 common shares of the Corporation, 677,760 warrants convertible into the same number of common shares and secured convertible debentures of the Corporation of

an amount of \$847,200. Elmag Investments Inc. (“**Elmag**”) currently has ownership or control of 380,000 common shares of the Corporation, 800,000 warrants convertible into the same number of common shares and a \$1,000,000 secured convertible debenture of the Corporation. Takota and Elmag each subscribed to a \$333,333 Debenture under the Private Placement.

Mr. Scott Leckie has resigned as a director of the Corporation in order to devote all of his energy to Takota.

Please see attached news release for additional information.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

Item 7 Omitted Information

None.

Item 8 Executive Officer

For further information, please contact Mr. Jocelyn Dumas, Executive Chairman of the Board, Groupe Bikini Village Inc., (450) 449-1310 ext. 4338, jdumas@bikinivillage.com.

Item 9 Date of Report

October 27, 2014



NEWS RELEASE

TSX symbol: GBV

**GROUPE BIKINI VILLAGE INC.
ENTERS INTO A \$750,000 SECURED SHORT TERM BRIDGE LOAN
AND COMPLETES A \$1,000,000 PRIVATE PLACEMENT OF SECURED DEBENTURES**

Sainte-Julie, Quebec, October 22, 2014 – Groupe Bikini Village inc. (TSX: GBV) (“**Groupe Bikini Village**” or the “**Corporation**”) today announced that it has entered into a \$750,000 secured short term bridge loan (the “**Loan**”) and has successfully completed a private placement (the “**Private Placement**”) of secured redeemable debentures for an aggregate principal amount of \$1,000,000 (the “**Debentures**”). Shareholders of the Corporation subscribed to the Debentures. The Loan and Private Placement will provide additional short term working capital to the Corporation.

The Transactions

The Loan bears interest at an annual rate of 12% and will be reimbursable in tranches; the first tranche is in the amount of \$250,000 due on December 31, 2014, the 2nd tranche in the amount of \$125,000 due on January 15, 2015 and the balance in the amount of \$375,000 is due at the expiry of the Loan on January 31, 2015.

The Debentures will mature on January 31, 2015 (the “**Maturity**”) and bear interest at an annual rate of 12%, which is payable in full, along with the principal amount, at Maturity. The Corporation has the option to redeem the Debentures, in whole or in part, before Maturity.

Takota Asset Management (“**Takota**”) currently has ownership or control of 288,780 common shares of the Corporation, 677,760 warrants convertible into the same number of common shares and secured convertible debentures of the Corporation of an amount of \$847,200.

Elmag Investments Inc. (“**Elmag**”) currently has ownership or control of 380,000 common shares of the Corporation, 800,000 warrants convertible into the same number of common shares and a \$1,000,000 secured convertible debenture of the Corporation.

Takota and Elmag each subscribed to a \$333,333 Debenture under the Private Placement. These transactions have no effect on the percentage of securities beneficially owned by Takota and Elmag.

The Private Placement is exempt from valuation and minority shareholder approval under Section 5.5(g) of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*. The Corporation did not file a material change report less than 21 days before the closing of the Private Placement given its purpose.

Resignation of Mr. Scott Leckie, director

Mr. Scott Leckie has resigned as a director of the Corporation in order to devote all of his energy to Takota.

“We are very grateful to Mr. Leckie for this valuable contribution and insight over the years”, said Jocelyn Dumas, Executive Chairman of the Board.

About Groupe Bikini Village

Groupe Bikini Village inc. is a leading swimwear retailer with a network of stores across Eastern Canada. In its inviting stores, Bikini Village helps its customers choose from among Canada's widest selection of swimwear, beachwear, travel clothing and beach accessories. Headquartered in Sainte-Julie, Quebec, Groupe Bikini Village operates 52 stores and employs approximately 400 people; its securities trade on the Toronto Stock Exchange under the stock symbol GBV. For more information about Groupe Bikini Village, please visit our website at www.bikinivillage.com.

Forward-looking statements

This news release contains certain forward-looking statements concerning Groupe Bikini Village inc.'s future operations, economic performance, financial conditions and financing plans. These statements are based on certain assumptions and analyses made by management in light of their experience and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate under the circumstances. However, whether actual results and developments will conform to management's expectations and predictions is subject to a number of risks, uncertainties and assumptions. Consequently, all of the forward-looking statements made in this news release are qualified by these cautionary statements, and there can be no assurance that the results or developments anticipated by management will be realized or, even if substantially realized, that they will have the expected consequences or effects on the Corporation. Management undertakes no obligation and does not intend to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable law.

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For more information, please contact:

Jocelyn Dumas CPA, CA
Executive Chairman of the Board
(450) 449-1310 ext 4338
jdumas@bikinivillage.com