FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

   Pyng Medical Corp. (the "**Company**")
   210 - 13480 Crestwood Place
   Richmond, BC V6V 2J9

2. **Date of Material Change**

   April 29, 2013

3. **News Release**

   A press release was issued on April 29, 2013 and disseminated through Marketwire.

4. **Summary of Material Change**

   The Company has reached an agreement with MDR Specialty Distribution Corporation ("**MDR**") to convert $598,057.23 of indebtedness into common shares at a price of $0.09 per common share, subject to disinterested shareholder approval and TSX Venture Exchange ("**TSX-V**") acceptance.

   Concurrently with the completion of this transaction, an affiliate of MDR, Excelera Corporation ("**Excelera**"), currently the Company's largest shareholder holding approximately 17.71% of the outstanding common shares of the Company, will subscribe for 2,777,777 units of the Company by way of a private placement at a price of $0.09 per unit for gross proceeds of approximately $250,000. Each unit will consist of one common share of the Company and one-half of one common share purchase warrant. Each warrant will entitle Excelera to acquire one additional common share of the Company at a price of $0.1125 per share for a period of four years from the date of issue.

5. **Full Description of Material Change**

   5.1 Full Description of Material Change

   In addition to the information in the news release attached hereto, the following is disclosure required under Multilateral Instrument 61-101 ("**MI 61-101**"):

   (a) a description of the transaction and its material terms:

   The Company has reached agreement with MDR to convert an amount of CDN$598,057.23 (being the equivalent of US$588,118.04, as calculated at the Bank of Canada closing exchange rate on April 26, 2013 of 1.0169 CDN$/US$) owed by the Company to MDR (the "**Debt**") into common shares at a price of $0.09 per common share, subject to disinterested shareholder approval and TSX-V acceptance (the "**Shares for Debt Transaction**"). The Debt represents the principal amount owing to MDR under a promissory note between the Company and MDR dated April 10, 2013. Upon completion of the Shares for Debt Transaction, the Company will still owe MDR the accrued interest on the Debt.

   MDR and Excelera, the Company's largest shareholder holding approximately 17.71% of the

Company's outstanding common shares, are wholly-owned subsidiaries of Venuity Corporation. Herbert A. Toms III, a director of the Company, is the co-founder and Chief Executive Officer of Venuity Corporation, and owns 80% of the shares of Venuity Corporation.

Pursuant to the Shares for Debt Transaction, a total of 6,645,080 common shares will be issued to MDR in settlement of the debt owing. Following the completion of the Shares for Debt Transaction and the Private Placement (as defined below), MDR will own 6,645,080 common shares, being approximately 25.20% of the 26,365,273 common shares of the Company that would then be outstanding.

Concurrently with the completion of the Shares for Debt Transaction, Excelera will subscribe for 2,777,777 units of the Company (the "**Units**") by way of a private placement at a price of $0.09 per Unit for gross proceeds to the Company of approximately CDN$250,000 (the "**Private Placement**"). Each Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle Excelera to acquire one additional common share of the Company at a price of $0.1125 per share for a period of four years from the date of issue.

The net proceeds from the Private Placement will be used for general working capital. The completion of the Private Placement is subject to disinterested shareholder approval and TSX-V acceptance.

Following the completion of the Shares for Debt Transaction and the Private Placement, Excelera will own 5,777,777 common shares, being approximately 21.91% of the 26,365,273 common shares of the Company that would then be outstanding. Following the completion of the Shares for Debt Transaction and the Private Placement, MDR and Excelera will own a combined 47.11% of the Company's common shares then outstanding. Upon exercise of the Warrants held by Excelera, MDR and Excelera would own a combined 49.76% of the Company's common shares then outstanding.

The issuance of securities to MDR and Excelera are considered related party transactions within the meaning of TSX-V Policy 5.9 and MI 61-101. The Company intends to rely on the exemption from the formal valuation requirement of MI 61-101 contained in section 5.5(b) of MI 61-101 in connection with such issuance. The Company will be seeking disinterested shareholder approval of the related party transactions in connection with MI 61-101 and TSX-V Policy.

All securities issued in connection with the Shares for Debt Transaction and the Private Placement will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities law.

(b) the purpose and business reasons for the transaction:

The Shares for Debt Transaction would allow the Company to partially settle the debt it owes to MDR while preserving the Company's cash on hand. Debt service cash costs and interest expense would be reduced thus improving the Company's debt service ratio and debt equity ratio. The proceeds of the Private Placement would assist the Company in satisfying its working capital requirements and meeting its obligations with its suppliers.

(c) the anticipated effect of the transaction on the issuer's business and affairs:

See (b) above.

(d) a description of:

> **(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:**
>
> MDR and Excelera, the Company's largest shareholder holding approximately 17.71% of the Company's outstanding common shares, are wholly-owned subsidiaries of Venuity Corporation. Herbert A. Toms III, a director of the Company, is the co-founder and Chief Executive Officer of Venuity Corporation, and owns 80% of the shares of Venuity Corporation.
>
> **(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:**
>
> Pursuant to the Shares for Debt Transaction, a total of 6,645,080 common shares will be issued to MDR in settlement of the debt owing. Following the completion of the Shares for Debt Transaction and the Private Placement, MDR will own 6,645,080 common shares, being approximately 25.20% of the 26,365,273 common shares of the Company that would then be outstanding.
>
> Following the completion of the Shares for Debt Transaction and the Private Placement, Excelera will own 5,777,777 common shares, being approximately 21.91% of the 26,365,273 common shares of the Company that would then be outstanding. Following the completion of the Shares for Debt Transaction and the Private Placement, MDR and Excelera will own a combined 47.11% of the Company's common shares then outstanding. Upon exercise of the Warrants held by Excelera, MDR and Excelera would own a combined 49.76% of the Company's common shares then outstanding.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

Each of the directors was provided with a detailed description of the Company's financial position and working capital requirements and a description of the terms of the Shares for Debt Transaction and the Private Placement, before such terms were agreed. The terms of the Shares for Debt Transaction and the Private Placement were approved by the directors, with Herbert A. Toms III, an interested director, abstaining. No special committee was established in connection with the Shares for Debt Transaction and the Private Placement, and no materially contrary view or abstention was expressed or made by any director. The Audit & Finance Committee of the Company did, however, review the terms of the Shares for Debt Transaction and the Private Placement and recommended that the directors approve the transactions.

(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:

Not applicable. See Section (i) below.

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:

> **(i) that has been made in the 24 months before the date of the material change report:**
>
> Not applicable.
>
> **(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**
>
> Not applicable.

(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:

See (a) above. MDR and the Company will enter into a shares for debt settlement agreement in connection with the Shares for Debt Transaction. Excelera and the Company will enter into a subscription agreement in connection with the Private Placement.

(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:

The issuance of securities to MDR and Excelera are considered related party transactions within the meaning of TSX-V Policy 5.9 and MI 61-101. The Company intends to rely on the exemption from the formal valuation requirement of MI 61-101 contained in section 5.5(b) of MI 61-101 in connection with such issuance as no securities of the Company are listed or quoted on the Toronto Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the United States.

The Company will be seeking disinterested shareholder approval of the related party transactions in connection with MI 61-101 and TSX-V Policy at a special meeting of shareholders of the Company to be held on or about July 11, 2013.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

6. **Reliance on Section 7.1(2) of National Instrument 51-102**

   Not Applicable.

7. **Omitted Information**

   Not Applicable.

8. **Executive Officer**

   The name and business number of the executive officer of the Company who is knowledgeable about the material change and this report is:

   George Dorin, Chief Financial Officer and Corporate Secretary
   Telephone: (604) 303-7964 x 219

9. **Date of Report**

   May 3, 2013

FOR IMMEDIATE RELEASE April 29, 2013
PYT – TSX Venture Exchange

Pyng Medical Corp. Announces Proposed Shares for Debt Transaction and Private Placement

Vancouver, B.C. - Pyng Medical Corp. (PYT:TSX.V) (the "**Company**") today announced that it has reached agreement with MDR Specialty Distribution Corporation ("**MDR**") to convert an amount of CDN$598,057.23 (being the equivalent of US$588,118.04, as calculated at the Bank of Canada closing exchange rate on April 26, 2013 of 1.0169 CDN$/US$) owed by the Company to MDR into common shares at a price of $0.09 per common share, subject to disinterested shareholder approval and TSX Venture Exchange ("**TSX-V**") acceptance (the "**Shares for Debt Transaction**").

MDR and Excelera Corporation ("**Excelera**"), the Company's largest shareholder holding approximately 17.71% of the Company's outstanding common shares, are wholly-owned subsidiaries of Venuity Corporation. Herbert A. Toms III, a director of the Company, is the co-founder and Chief Executive Officer of Venuity Corporation, and owns 80% of the shares of Venuity Corporation.

Pursuant to the Shares for Debt Transaction, a total of 6,645,080 common shares will be issued to MDR in settlement of the debt owing. Following the completion of the Shares for Debt Transaction and the Private Placement (as defined below), MDR will own 6,645,080 common shares, being approximately 25.20% of the 26,365,273 common shares of the Company that would then be outstanding.

Concurrently with the completion of the Shares for Debt Transaction, Excelera will subscribe for 2,777,777 units of the Company (the "**Units**") by way of a private placement at a price of $0.09 per Unit for gross proceeds to the Company of approximately CDN$250,000 (the "**Private Placement**"). Each Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle Excelera to acquire one additional common share of the Company at a price of $0.1125 per share for a period of four years from the date of issue.

Following the completion of the Shares for Debt Transaction and the Private Placement, Excelera will own 5,777,777 common shares, being approximately 21.91% of the 26,365,273 common shares of the Company that would then be outstanding. The net proceeds from the Private Placement will be used for general working capital. Following the completion of the Shares for Debt Transaction and the Private Placement, MDR and Excelera will own a combined 47.11% of the Company's common shares then outstanding. Upon exercise of the Warrants, MDR and Excelera will own a combined 49.76% of the Company's common shares then outstanding. The completion of the Private Placement is subject to disinterested shareholder approval and TSX-V acceptance.

The issuance of securities to MDR and Excelera are considered related party transactions within the meaning of TSX-V Policy 5.9 and Multilateral Instrument 61-101 ("**MI 61-101**"). The Company intends to rely on the exemption from the formal valuation requirement of MI 61-101 contained in section 5.5(b) of MI 61-101 in connection with such issuance. The Company will be seeking disinterested shareholder approval of the related party transactions in connection with MI 61-101 and TSX-V Policy.

All securities issued in connection with the Shares for Debt Transaction and the Private Placement will be subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities law legislation.

More information about the Company is available on SEDAR at www.sedar.com under the Company's profile and on our website: www.pyng.com.

About Pyng Medical Corp.

Pyng Medical Corp. commercializes award-winning trauma and resuscitation products for front-line critical care personnel. Pyng's expanded product portfolio includes a variety of innovative, lifesaving tools. With growing markets in North America, Europe and Asia, Pyng offers user-preferred medical devices for use by hospital staff, emergency medical services and military forces worldwide.

For More Information

George Dorin
Chief Financial Officer
Pyng Medical Corp.
(604) 303-7964 x219
www.pyng.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Safe Harbour Statement; Forward-Looking Statements: This release may contain forward-looking statements based on management's expectations, estimates and projections. All statements that address expectations or projections about the future, including statements about the Company's strategy for growth, product development, market position, expected expenditures and financial results are forward-looking statements. Some of the forward-looking statements may be identified by words like "expects", "anticipates", "plans", "intends", "projects", "indicates", and similar expressions. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Many factors, including those discussed more fully elsewhere in this release and in documents which may be filed with the British Columbia Securities Commission, the Alberta Securities Commission, the Ontario Securities Commission, the TSX Venture Exchange, as well as other USA Commissions, could cause results to differ materially from those stated. These factors include, but are not limited to changes in the laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates, of countries in which the Company does business; competitive pressures; successful integration of structural changes, including restructuring plans, acquisitions, divestitures and alliances; cost of raw material, research and development of new products, including regulatory approval and market acceptance; and seasonality of sales in some products.