FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. <u>Name and Address of Reporting Issuer</u>

Pyng Medical Corp. (“**Pyng**” or the “**Company**”)
210-13480 Crestwood Place
Vancouver, British Columbia
V6V 2J9

Item 2. <u>Date of Material Change</u>

August 8, 2016

Item 3. <u>News Release</u>

A news release announcing the material change was disseminated on August 9, 2016 through Marketwired and subsequently filed on SEDAR.

Item 4. <u>Summary of Material Change</u>

On August 9, 2016, Pyng announced that it had completed amendments to the terms of certain previously issued secured convertible notes in the aggregate principal amount of $530,000 (the “**2015 Notes**”) and amendments to the terms of 10,600,000 previously issued warrants with an exercise price of $0.05 per warrant (the “**2015 Warrants**”).

Item 5.1. <u>Full Description of Material Change</u>

On August 9, 2016, Pyng announced that it had completed amendments to the terms of the 2015 Notes and the 2015 Warrants. The 2015 Warrants were issued on August 8, 2015 as partial consideration of previous amendments to the 2015 Notes. The Company amended the maturity date of the 2015 Notes and the expiry date of the 2015 Warrants from August 8, 2016 to September 8, 2016 (the “**Amendments**”).

Pursuant to the policies of the TSX Venture Exchange (“**TSX-V**”), the Company is subject to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). The transactions set out herein are “related party transactions” under MI 61-101. An exemption exists for these transactions from the formal valuation requirements of MI 61-101 pursuant to section 5.5(b). The Company has applied for an exemption from the TSX-V as it meets all of the requirements for the exemption from minority shareholder approval set out in section 5.7(1)(b) with respect to the transactions other than that they are not being made for cash consideration.

Item 5.2. <u>Disclosure for Restructuring Transactions</u>

N/A

Item 6. <u>Reliance on Subsection 7.1(2) of National Instrument 51-102</u>

N/A

Item 7. Omitted Information

N/A

Item 8. Executive Officer

George Dorin
Chief Financial Officer

Pyng Medical Corp.
Telephone: (604) 303-7964 x219
E-mail: info@pyng.com

Item 9. Date of Report

August 10, 2016