FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Response Biomedical Corp. ("**Response**" or the "**Company**")
1781-75th Avenue W.,
Vancouver, BC V6P 6P2

Item 2: Date of Material Change

June 16, 2016 and June 17, 2016

Item 3: News Release

A news release announcing the material changes was disseminated through Marketwire on June 16, 2016. The news release was filed on SEDAR at www.sedar.com and EDGAR at www.sec.gov and posted on Response's website at www.responsebio.com.

Item 4: Summary of Material Change

On June 16, 2016, Response entered into a definitive arrangement agreement (the "**Arrangement Agreement**") with 1077801 B.C. Ltd., a company owned by OrbiMed Asia Partners, LP, OrbiMed Private Investments III, LP and OrbiMed Associates III, LP (collectivey, "**OrbiMed**") and Shanghai Runda Medical Technology Co., Ltd. ("**Runda**") pursuant to which 1077801 B.C. Ltd. will acquire all of the issued and outstanding common shares of Response ("**Response Shares**") for cash consideration of $1.12 per Response Share (except in the case of certain rollover shareholders who will instead receive shares of 1077801 B.C. Ltd. on a 1 for 1 basis) by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the "**Transaction**").

Concurrent with the signing of the Arrangement Agreement, Response entered into subscription agreements to undertake a non-brokered private placement financing of up to 1,785,716 common shares of Response (the "**Private Placement**") at a price of U.S.$0.56 per Response Share for total gross proceeds of approximately U.S.$1,000,000 on June 16, 2016. Pursuant to the Private Placement, Response entered into subscription agreements with OrbiMed where OrbiMed will subscribe for 892,858 Response Shares for total gross proceeds of approximately U.S.$500,000, and with Runda where Runda will subscribe for 892,858 Response Shares for total gross proceeds of approximately U.S.$500,000.

On June 17, 2016, Response closed, subject to the final approval of the Toronto Stock Exchange (the "**TSX**"), the first tranche (the "**First Tranche**") of the Private Placememt for total gross proceeds of approximately U.S.$500,000. OrbiMed acquired all 892,858 Response Shares at a price of U.S.$0.56 per Response Share pursuant to the closing of the First Tranche of the Private Placement. Closing of the second tranche (the "**Second Tranche**") of the Private Placement will be subject to approval in the People's Republic of China from the National Development and Reform Commission, the Ministry of Commerce, and the State Administration of Foreign Exchange.

Item 5: Full Description of Material Change

Arrangement Agreement

On June 16, 2016, Response and 1077801 B.C. Ltd., a company owned by OrbiMed and Runda, entered into the Arrangement Agreement pursuant to which 1077801 B.C. Ltd. agreed to acquire all of the issued and outstanding Response Shares for cash consideration of $1.12 per Response Share (except in the case of certain rollover shareholders who will instead receive shares of 1077801 B.C. Ltd. on a 1 for 1 basis) by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia). OrbiMed Advisors LLC and its affiliates including OrbiMed, currently own 4,970,543 Response Shares, representing 50.1% of the issued and outstanding Response Shares, based on 9,925,256 Response Shares outstanding. The purpose of the Transaction is to effect the acquisition of Response by 1077801 B.C. Ltd. Upon the completion of the Transaction, the Company will apply to have the Response Shares de-listed from the TSX and cease to be a reporting issuer.

Under the terms of the Arrangement Agreement, all of the issued and outstanding Response Shares will be acquired for cash consideration of $1.12 per Response Share (except in the case of certain rollover shareholders who will instead receive shares of 1077801 B.C. Ltd. on a 1 for 1 basis). The cash consideration price represents a 51% premium to the closing price of the Response Shares on the TSX on June 15, 2016, the date prior to the date of signing of the Arrangement Agreement.

Under the Arrangement Agreement, in addition to 1077801 B.C. Ltd.'s acquisition of all of the Response Shares for cash consideration of $1.12 per Response Share (except in the case of certain rollover shareholders who will instead receive shares of 1077801 B.C. Ltd. on a 1 for 1 basis), all currently outstanding stock options to purchase Response Shares ("**Options**") will be deemed to be unconditionally vested and exercisable and be deemed to be assigned, transferred and disposed of to the Company in exchange for a cash payment from the Company equal to the amount (if any) by which the consideration exceeds the exercise price per Response Share issuable pursuant to the Options. The Options shall subsequently be immediately cancelled pursuant to the Arrangement. All outstanding Deferred Share Units and Restricted Share Units will be paid out in common shares of Response which will then be acquired for cash in the Arrangement.

The Arrangement Agreement includes customary representations and warranties of each party, non-solicitation covenants by Response, "right-to-match" provisions in favour of 1077801 B.C. Ltd. in the event of a Superior Proposal (as defined in the Arrangement Agreement). No termination fee is payable by either party.

Completion of the Transaction is subject to, among other things, approval by 66 2/3% of the votes cast by Response's shareholders at a special meeting of Response's shareholders to consider the Transaction (the "**Special Meeting**") and the approval of a "majority of the minority" of the Response shareholders being a majority of the votes cast in person or by proxy at the Special Meeting excluding shareholders whose votes may not be included in determining if minority approval is obtained pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Special Meeting is expected to occur on or before October 17, 2016. In addition, the information circular prepared in connection with the Special Meeting is subject to review by the U.S. Securities Exchange Commission.

In connection with the Arrangment Agreement, all of Response's officers and directors, holding, in the aggregate 305,747 Response Shares representing 3.1% of the issued and outstanding Response Shares, based on 9,925,256 Response Shares outstanding, have entered into voting support agreements with 1077801 B.C. Ltd. to vote in favour of the Transaction.

The completion of the Transaction is also subject to customary conditions, including receipt of all necessary court, stock exchange and regulatory approvals. In addition, the Transaction will be subject to approval in the People's Republic of China from the National Development and Reform Commission, the Ministry of Commerce, and the State Administration of Foreign Exchange. No prior valuation of the Company is known except for the fairness opinion and formal valuation (the "**Fairness Opinion and Formal Valuation**") provided by Bloom Burton & Co. Limited in connection with the Transaction.

The Board of Directors of Response unanimously determined that the Transaction is in the best interests of Response.

Private Placement

Concurrent with the signing of the Arrangement Agreement, Response entered into subscription agreements to undertake the Private Placement at a price of U.S.$0.56 per Response Share for total gross proceeds of approximately U.S.$1,000,000 on June 16, 2016. Pursuant to the Private Placement, Response entered into subscription agreements with OrbiMed where OrbiMed will subscribe for 892,858 Response Shares for total gross proceeds of approximately U.S.$500,000, and with Runda where Runda will subscribe for 892,858 Response Shares for total gross proceeds of approximately U.S.$500,000.

On June 17, 2016, Response closed, subject to the final approval of the TSX, the First Tranche of the Private Placement comprising of 892,858 Response Shares at a price of U.S.$0.56 per Response Share for total gross proceeds of approximately U.S.$500,000. OrbiMed acquired all 892,858 Response Shares pursuant to the closing of the First Tranche of the Private Placement.

The Company intends to use the net proceeds of the Private Placement to fund research and development and operating expenses and for general working capital purposes.

As OrbiMed is an insider of the Company, the Private Placement is a "related party transaction", as defined under MI 61-101. The Company has relied on the exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 from the valuation and minority shareholder approval requirements of MI 61-101 in respect of OrbiMed's participation in the Private Placement because the aggregate fair market value of the Response Shares purchased by OrbiMed is less than 25% of the Company's market capitalization.

The Response Shares described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and accordingly, may not be offered or sold within the United States or to "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S Securities Act ("**U.S. Persons**") except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom.

Considering the nature of the equity financing in light of the signing of the Arrangement Agreement, it is not necessary to delay the closing of the First Tranche of the Private Placement as it is in the best interests of the Company to readily use the proceeds of the Private Placement.

Closing of the Second Tranche of the Private Placement will be subject to approval in the People's Republic of China from the National Development and Reform Commission, the Ministry of Commerce, and the State Administration of Foreign Exchange.

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

For further information, please contact:

W. J. (Bill) Adams,
Chief Financial Officer, at
(604) 456-6010

Item 9: Date of Report

June 20, 2016.