FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 Name and Address of Company:

Life Sciences Institute Inc. (the "Corporation" or "Life Sciences")
805 – 14th Street NW
Calgary, Alberta T2N 2A4

ITEM 2 Date of Material Change:

December 23, 2010.

ITEM 3 News Release:

A news release was distributed via Marketwire on December 24, 2010 and filed via SEDAR December 29, 2010.

ITEM 4 Summary of Material Change:

Life Sciences Institute Inc. (TSX-V:LSN) (the "Corporation") announces that the Alberta Securities Commission ("ASC") has revoked its cease trade order dated December 3, 2010 (the "Cease Trade Order") issued as a result of the late filing of the Corporation's interim financial statements and management's discussion and analysis for the period ended September 30, 2010 (the "Filings").

The Filings were prepared prior to the filing deadline of November 29, 2010 and forwarded to its agent for filing; however, due to a computer malfunction at the agent's office, they were not filed on SEDAR.

The Corporation's previously announced application to the TSX Venture Exchange seeking reinstatement of trading on the TSX Venture Exchange has been updated with the ASC's revocation order and is now under final review.

ITEM 5 Full Description of Material Change:

Please see attached press release.

ITEM 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:

Not Applicable.

ITEM 7 Omitted Information:

Not Applicable.

ITEM 8 Executive Officer:

Further information relating to this Material Change Report may be obtained from:

Robert C. Thomas
President and Chief Executive Officer
Phone: (403) 247-4319

ITEM 9 Date of Report:

DATED as of December 29, 2010.

LIFE SCIENCES INSTITUTE INC.

Calgary, Alberta, Canada **December 24, 2010**
TSX-V Symbol: LSN

NEWS Release

LIFE SCIENCES ANNOUNCES REVOCATION OF CEASE TRADE ORDER

December 24, 2010 – Calgary, Alberta – Life Sciences Institute Inc. (TSX-V:LSN) (the "Corporation") announces that the Alberta Securities Commission ("ASC") has revoked its cease trade order dated December 3, 2010 (the "Cease Trade Order") issued as a result of the late filing of the Corporation's interim financial statements and management's discussion and analysis for the period ended September 30, 2010 (the "Filings").

The Filings were prepared prior to the filing deadline of November 29, 2010 and forwarded to its agent for filing; however, due to a computer malfunction at the agent's office, they were not filed on SEDAR.

The Corporation's previously announced application to the TSX Venture Exchange seeking reinstatement of trading on the TSX Venture Exchange has been updated with the ASC's revocation order and is now under final review by the TSX Venture Exchange.

FOR FURTHER INFORMATION PLEASE CONTACT:

Robert C. Thomas
President and Chief Executive Officer
Phone: (403) 247-4319