FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 - Name and Address of Company

Biorem Inc. ("**Biorem**" or the "**Company**")
7496 Wellington Rd. 34
Guelph, ON
Canada N1H 6H9

Item 2 - Date of Material Change

May 4, 2012

Item 3 News Release

Biorem Inc. (TSX-V: BRM) issued a press release in respect of this material change on May 7, 2012 though Canada Newswire.

Item 4 Summary of Material Change

On May 7, 2012, the Company announced the initial closing of a private placement of up to 1,400 Units at a price per Unit of $1,000 for gross proceeds of up to $1.4 million. In the initial closing a total of 535 Units were issued for gross proceeds of $535,000.

Item 5 Full Description of Material Change

On May 7, 2012, the Company announced the initial closing of a private placement of up to 1,400 Units at a price per Unit of $1,000 for gross proceeds of up to $1.4 million. In the initial closing a total of 535 Units were issued for gross proceeds of $535,000.

Each Unit consists of $1,000 principal amount of 8.00% convertible extendible secured subordinated debentures (the "**Debentures**") with a maturity date 2 years from the date of issuance and 2,808 common share purchase warrants (the "**Warrants**"). The Debentures are convertible into fully paid and non-assessable Common Shares of the Company at the option of the holder at any time over their term at a price of $0.178 per Common Share. The maturity date of the Debentures can be extended to the fifth anniversary date of the issuance date of the Debentures by holders of 66.67% of the then outstanding principal amount of Debentures. The Debentures can be prepaid in full at any time by the Company upon giving holders 15 days notice of prepayment. Each Warrant entitles the holder to purchase one common share at a price of $0.178 per share for a period of two (2) years from issuance. All securities issued pursuant to the private placement will be subject to a four month hold pursuant to applicable securities legislation. Additional closings of the private placement may occur up until June 4, 2012. The Company intends to use the proceeds from the private placement for working capital and general corporate purposes.

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

Not applicable.

Item 7 Omitted Information

No information has been omitted from this material change report.

Item 8 Executive Officer

For additional information with respect to this material change, the following person may be contacted:

Peter Bruijns
Chief Executive Officer
(519) 767-9100

Item 9 Date of Report

May 10, 2012.