FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 — Name and Address of Company

Biorem Inc. ("**Biorem**" or the "**Company**")
7496 Wellington Road 34 R.R. #3
Guelph, Ontario N1H 6H9

Item 2 — Date of Material Change

August 13, 2012

Item 3 — News Release

A news release was issued by the Company via PR Newswire on August 16, 2012.

Item 4 — Summary of Material Change

In two closings of Biorem's non-brokered private placement debt financing (the "**Private Placement**") of 1,116 units (the "**Units**") at a price of $1000 per Unit, Biorem raised gross proceeds of $1,116,000. Each Unit consists of $1,000 principal amount of 8.00% convertible extendible secured subordinated debentures (the "**Debentures**") with a maturity date two years from the date of issuance and 4,545 common share purchase warrants (the "**Warrants**"), Each Warrant is exercisable for one common share of the Company at a price of $0.11 per share for a period of two years from the date of issuance.

Item 5 — Full Description of Material Change

5.1 — Full Description of Material Change

In two closings of Biorem's non-brokered private placement debt financing (the "**Private Placement**") of 1,116 units (the "**Units**") at a price of $1000 per Unit, Biorem raised gross proceeds of $1,116,000.

Each Unit consists of $1,000 principal amount of Debentures with a maturity date 2 years from the date of issuance and 4,545 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 $0.11 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 $0.11 per share for a period of two (2) years from issuance which period will be extended if the maturity date of the Debentures is extended. All securities issued pursuant to the Private Placement will be subject to a four month hold pursuant to applicable securities legislation.

Insiders have subscribed for greater than 25% of the Private Placement. The issuance of Units to insiders pursuant to the Private Placement is considered to be a related party transaction subject to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101. Biorem has relied on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(c) and 5.7(b) of Multilateral Instrument 61-101 on the basis that the Private Placement constitutes a distribution of securities for cash to insiders which is within the parameters of those sections.

5.2 — Disclosure for Restructuring Transactions

Not Applicable

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

Peter Bruijns
Preseident
519.767.9100

Item 9 — Date of Report

August 17, 2012