Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

Cantronic Systems Inc. ("**Cantronic**" or the "**Company**")
67A Clipper Street
Coquitlam, BC
V3K 6X2

Item 2. Date of Material Change

January 15, 2013

Item 3. News Release

A news release was disseminated on January 16, 2013 to the TSX Venture Exchange and through various other approved public media and filed on SEDAR with the securities commissions of British Columbia, Alberta and Saskatchewan.

Item 4. Summary of Material Change

At its annual and special meeting of securityholders held on January 15, 2013 (the "**Meeting**"), the Company's securityholders approved a special resolution in respect of the Company's previously announced going-private transaction by way of a statutory plan of arrangement (the "**Arrangement**").

Item 5. Full Description of Material Change

Item 5.1 Full Description of the Material Change

At the Meeting, the Company's securityholders overwhelmingly approved a special resolution in respect of the Company's previously announced Arrangement.

The Arrangement remains subject to, among other things, the final approval of the Supreme Court of British Columbia. The hearing of the final court order to approve the Arrangement is scheduled to take place on January 18, 2013, with the effective date of the Arrangement expected to occur on or about January 22, 2013.

Further details regarding the terms of the Arrangement are set out in the management information circular of Cantronic dated December 12, 2012, which is available at www.sedar.com. Full details of the Arrangement are disclosed in the December 19, 2013 press release also available on SEDAR.

The Company is also pleased to announce that all other resolutions brought before the Meeting were approved by the shareholders. There was no other business brought forward at the Meeting.

Item 5.2 *Disclosure for Restructuring Transactions*

Not applicable.

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

Not applicable.

Item 7. Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8. Executive Officer

The name and business number of the executive officer of the Company who is knowledgeable of the material change and this report is:

Kevin Su, Chief Financial Officer of the Company, at (604) 516-6667.

Item 9. Date of Report

January 22, 2013

CANTRONIC SECURITYHOLDERS APPROVE GOING PRIVATE PLAN OF ARRANGEMENT

For immediate release

Vancouver, British Columbia, January 16, 2013. Cantronic Systems Inc. (TSX-V:CTS) ("**Cantronic**" or the "**Company**") is pleased to announce that at its annual and special meeting of securityholders (the "**Meeting**") held yesterday, the Company's securityholders overwhelmingly approved a special resolution in respect of the Company's previously announced going-private transaction by way of a statutory plan of arrangement (the "**Arrangement**").

The Arrangement remains subject to, among other things, the final approval of the Supreme Court of British Columbia. The hearing for the final court order to approve the Arrangement is scheduled to take place on January 18, 2013, with the effective date of the Arrangement expected to occur on or about January 22, 2013.

Further details regarding the terms of the Arrangement are set out in the management information circular of Cantronic dated December 12, 2012, which is available at www.sedar.com. Full details of the Arrangement are disclosed in the December 19, 2012 press release also available on SEDAR.

The Company is also pleased to announce that all other resolutions brought before the meeting were approved by the shareholders. There was no other business brought forward at the meeting.

On behalf of the Board of Directors of
CANTRONIC SYSTEMS INC.

James Zahn
Chief Executive Officer

For further information, contact:

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Email: jzahn@cantronics.com

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this new release.