FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Med BioGene Inc. (the "Company")
#300 - 2386 East Mall
Gerald McGavin Building
Vancouver, British Columbia V6T 1Z3

2. Date of Material Change

June 1, 2007

3. News Release

A news release announcing the material change disclosed in this report and attached as Schedule A was issued by the Company on June 1, 2007. The news release was distributed by CCNMatthews.

4. Summary of Material Change

On June 1, 2007, the Company announced the closing of a private placement for gross proceeds of $3.07 million.

5. Full Description of Material Change

On June 1, 2007, the Company announced the closing of a private placement for gross proceeds of $3.07 million, as more fully set forth in the news release issued by the Company on June 1, 2007 and attached as Schedule A.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

No significant facts otherwise required to be disclosed in this report have been omitted.

8. Executive Officer

The following executive officer of the Company is knowledgeable about the material change and may be contacted respecting the change:

Erinn B. Broshko, Chief Executive Officer
Telephone: (604) 827-4505
Facsimile: (604) 827-5120
Email: ebroshko@medbiogene.com

9. Date of Report

June 1, 2006

MED BIOGENE INC.

Per: *"Erinn Broshko"*
ERINN BROSHKO

SCHEDULE A

News Release

MED BIOGENE ANNOUNCES CLOSING OF PRIVATE PLACEMENT

This news release is not for distribution to United States newswire services or for dissemination in the United States

For Immediate Release **June 1, 2007**

VANCOUVER, BRITISH COLUMBIA – Med BioGene Inc. (TSX Venture: MBI), a biotechnology company developing genetic biomarkers to improve screening, diagnosis, prognosis and treatment decisions for patients suffering from certain cancers and cardiovascular disease, is pleased to announce that it has completed its previously announced private placement through the issuance of 6,816,008 units at a price of $0.45 per unit for gross proceeds of $3.07 million. MBI may also complete a second tranche of the private placement.

Each unit consists of one common share and one common share purchase warrant. Each warrant will entitle the holder thereof to purchase one common share at a price of $0.65 for a period of 36 months following the closing date of the private placement; provided that, MBI may accelerate the expiry date for such warrants if, at any time following the expiry of the four-month hold period, the closing price of MBI's common shares on the TSX Venture Exchange is greater than $0.85 for 20 or more consecutive trading days.

The private placement is subject to customary conditions, including final acceptance by the TSX Venture Exchange. MBI plans to use the net proceeds to advance the development of its Gene Expression Profiling System™ for lymphoma, leukemia, colorectal cancer and cardiovascular disease and for general corporate purposes.

Fraser Mackenzie Limited was the agent for the private placement and received a 7.5% selling commission and compensation options to acquire that number of units equal to 7.5% of the number of units sold pursuant to the Private Placement (excluding sales made to purchasers designated by the Chief Executive Officer of MBI, in which case Fraser Mackenzie received a 1% selling commission and compensation options to acquire that number of units equal to 1% of the number of units sold to such purchasers).

About Med BioGene

MBI is a biotechnology company with advanced research and development in gene expression technology. MBI intends to utilize its expertise in gene expression to identifying those genes, known as "biomarkers," which mark the presence of various diseases. These biomarkers will be used as an effective tool for accurate and rapid screening and diagnosis and to unlock innovation in therapeutic development and treatment. With a robust set of qualified biomarkers, disease screening and diagnosis will be quicker, less invasive and more accurate and the safety of new therapeutics will be increased, drug products will get to patients in less time and treatment decisions will be more informed.

MBI is currently focused on developing and validating biomarkers in respect of lymphoma, leukemia, colorectal cancer and cardiovascular disease through its Gene Expression Profiling System™.

Med BioGene Inc.
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About Fraser Mackenzie

Fraser Mackenzie is an independent investment dealer serving the needs of institutional fund managers and small and mid-capitalization corporate clients. The firm provides institutionally focused sales, trading and equity research as well as corporate finance and advisory services. Fraser Mackenzie is a Participating Organization of the Toronto Stock Exchange and the TSX Venture Exchange and a member of the Investment Dealers Association of Canada and the Canadian Investor Protection Fund.

For corporate information, please contact:

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

Certain statements in this press release contain forward-looking information under applicable Canadian securities legislation. Words such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “may,” “plans,” “projects,” “will,” “would” and similar expressions are intended to identify forward-looking information, although not all forward-looking information contains these identifying words. Forward looking information includes, but are not limited to, those with respect to future profits, future product revenues, future operations and plans, the use of proceeds from financings, the timing of clinical trials and the completion date for clinical trials and the prospects for negotiating partnerships or collaborations and their timing. These forward-looking statements or information are only predictions based upon MBI’s current expectations, and actual events or results may differ materially. MBI may not actually achieve the plans, intentions or expectations disclosed in its forward-looking information. Forward-looking information is subject to known and unknown risks and uncertainties and are based on uncertain assumptions that could cause MBI’s actual results and the timing of events to differ materially from those anticipated in such forward-looking information. You are cautioned not to place undue reliance on this forward-looking information, which speaks only as of the date of this press release. Our forward-looking information does not reflect the potential impact of any future partnerships, collaborations, acquisitions, mergers, dispositions, joint ventures or investments MBI may make. All forward-looking information is qualified in its entirety by this cautionary statement and MBI undertakes no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise after the date of this press release, other than as required by applicable law.

The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or any applicable exemption from the registration requirement of such Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.