FORM 51-102F3

MATERIAL CHANGE REPORT
UNDER SECTION 7.1(1) OF NATIONAL INSTRUMENT 51-102

Item 1. Reporting Issuer

Aerocast Inc. (the "Issuer")
Suite 700 – 595 Howe St.
Vancouver, BC V6C 2T5

Item 2. Date of Material Change

December 15, 2011.

Item 3. News Release

News Release dated December 15, 2011 and disseminated via TheNewswire.ca and via SEDAR filing.

Place of Issuance: Vancouver, BC.

Item 4. Summary of Material Change

The Issuer has entered into a term note for proceeds of up to $1,978,000.

Item 5. Full Description of Material Change

The Issuer has entered into a term note for proceeds of up to $1,978,000. The term note bears interest at the rate of 6.5%. The principal is repayable in monthly installments over a 10 year period commencing in December 2012. As security for the loan, the Issuer has granted the lender a security interest on all of its accounts, accounts receivable, inventory, equipment and proceeds. To date, the lender has advanced a total of $1,450,000. The Issuer is in negotiations with the lender for additional advances. The proceeds are being used to increase the Issuer's production of castings.

Item 6. Reliance on Section 7.1(2) of National Instrument 51-102

The Issuer is not relying on Section 7.1(2) of National Instrument 51-102.

Item 7. Omitted Information

There is no omitted information.

Item 8. **Executive Officer**

Robert Jamieson Sr., President - (480) 830-0848.

Item 9. Dated December 15, 2011.