

**FORM 51-102F3
MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102**

Item 1 Name and Address of Company

Avidus Management Group Inc.
10153 E Hampton Ave, Ste 101
Mesa, AZ, 85209 USA

("Avidus" or the "Company")

Item 2 Date of Material Change

July 15, 2014.

Item 3 News Release

The Company issued a news release dated July 16, 2014 through newswire services.

Item 4 Summary of Material Change

On July 15, 2014, the Company entered into an asset purchase agreement (the "Asset Purchase Agreement") with Truostar Health Inc. ("Truostar"), a Toronto based network-marketing company, pursuant to which Avidus will acquire substantially all of the assets of Truostar (the "Acquisition").

The Company also announced (a) a non-brokered private placement (the "Private Placement") of up to 15,000,000 units of the Company (each a "Unit") at a subscription price of \$0.10 per Unit, for gross proceeds of up to \$1,500,000 CDN, (b) the settlement of outstanding indebtedness of up to \$600,000 CDN through the issuance of common shares (the "Shares") at a deemed price of \$0.20 per Share and (c) the grant of an aggregate of 1,126,000 incentive stock options pursuant to its option plan to certain employees and consultants.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On July 15, 2014, the Company entered into an Asset Purchase with Truostar, a Toronto based network-marketing company, pursuant to which Avidus will acquire substantially all of the assets of Truostar. The Acquisition is anticipated to have an immediate and substantial impact on monthly revenue and is expected to increase annualized consolidated revenue of Avidus to over \$10 million CDN, based on the historical revenues and revenue trends of Avidus and Truostar.

Under the terms of the Asset Purchase Agreement, Avidus will purchase substantially all of the assets of Truostar for an aggregate purchase price (not including value of inventory) of CAD\$6 million that will be paid as follows: CAD\$500,000 upon close and the remaining \$5.5 million based upon a 5% royalty override on Truostar's revenue. Avidus will pay for existing Truostar

inventory as products are sold. The 5% royalty override does not begin until after existing Truestar inventory is sold.

As part of the transaction, Avidus is acquiring Truestar's proprietary software system that allows distributors and customers to create customized nutritional, diet and exercise plans around Truestar's 30 plus products.

Truestar's President Michael Boulton will continue to lead the Truestar corporate team. Mr. Boulton has been an integral part of Truestar since its inception, leading the development team and designing the software architecture for the company. He has a degree from Carleton University and a Post Graduate Certificate from ITI in Applied Information Technology.

In addition, the Company will complete a non-brokered private placement of up to 15,000,000 Units at a subscription price of \$0.10 per Unit, for gross proceeds of up to \$1,500,000 CDN, subject to the approval of the TSX Venture Exchange (the "Exchange"). Avidus also will reserve up to 5,000,000 units as an overallotment. Each Unit will be comprised of one common share in the capital of the Company and one transferable common share purchase warrant (each a "Warrant"). Each Warrant will entitle the holder thereof to purchase an additional common share of the Company at an exercise price of \$0.20 per common share for a period of 3 years from the date of issue.

Finder's fees may be payable in connection with the completion of the Private Placement in accordance with Exchange policies. The net proceeds of the Private Placement are expected to be utilized by the Company to fund the Acquisition and for general corporate and working capital purposes.

In connection with the Private Placement, Avidus advises that it intends to settle outstanding indebtedness of up to \$600,000 CDN through the issuance of common shares at a deemed price of \$0.20 per Share, subject to the approval of the Exchange. In addition, certain executives and consultants have forgiven \$202,329.39 USD of accrued salary and fees. The net effect of the shares for debt and salary and fees forgiveness is a reduction of overall Avidus debt in excess of \$800,000 CDN.

Finally, Avidus announced that it has granted an aggregate of 1,126,000 incentive stock options pursuant to its option plan to certain employees and consultants. The options vest immediately and are exercisable at a price of CAD \$0.10 per share until July 16, 2019.

The information set out above with respect to the anticipated revenues and profitability of the Company is "financial outlook" within the meaning of applicable securities laws. The purpose of this financial outlook is to provide readers with disclosure regarding the Company's reasonable expectations as to the anticipated results of its proposed business activities. Readers are cautioned that this financial outlook may not be appropriate for other purposes and are directed to refer to the assumptions and risks associated with the Company's financial outlook described below under the heading "Forward Looking Statements".

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

Doug Ridley CEO/President
Phone: 480-278-8712
Fax: 480-907-1738

Item 9 Dates of Report

July 16, 2014.

Forward Looking Statements

Certain information in this material change report is forward-looking and constitutes financial outlook within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. This forward-looking information includes, among other things, information with respect to the Company's beliefs, plans, expectations, anticipations, estimates and intentions, including with respect to the Company's anticipated revenues, profitability and the completion of the Acquisition and the private placement of Units. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this material change report describes the Company's expectations as of the date of this material change report.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Material factors which could cause actual results or events to differ materially from such forward-looking information include, among others, the Company's ability to develop new products which will receive market acceptance, to receive market acceptance in new markets outside the United States, to engage and retain qualified key personnel, employees and affiliates, to obtain capital and credit and to protect its intellectual property rights. The financial outlook contained in this material change report with respect to the Company's anticipated revenues and profitability is also based on a number of assumptions, including that: the Acquisition will result in efficiencies and reduce consolidated operating costs for Avidus and Truostar as a result of, among other things, consolidating the companies' computer operating systems; that current trends in Avidus' and Truostar's revenues will continue, and in particular that Avidus will continue to see an increase in revenue over the next 12 months based on the Company's current business plan; and during the next 12 months, Truostar may experience slightly downward revenue trend.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS MATERIAL CHANGE REPORT REPRESENTS THE EXPECTATIONS OF THE COMPANY AS OF THE DATE OF THIS MATERIAL CHANGE REPORT AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE THE COMPANY MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED BY APPLICABLE LAWS.
