LEONOVUS INC.
1400-340 Albert Street
Ottawa, ON K1R 0A5

Material Change Report
October 1, 2012

Item 1. Name and Address of Company

The name of the reporting issuer is LeoNovus Inc. (the "Issuer" or "LeoNovus"). The Issuer's head office is located at 1196 Borregas Ave. Suite 201, Sunnyvale, California 94089 USA. Its registered office is located at 1400-340 Albert Street, Ottawa, Ontario K1R 0A5.

Item 2. Date of Material Change

The material change occurred on September 28, 2012.

Item 3. News Release

The Issuer disseminated a News Release on September 28, 2012 via a Canadian news wire service. A copy of the News Release has been filed on SEDAR.

Item 4. Summary of Material Change

The Issuer announced it has raised gross proceeds of CDN $1,029,375 in an initial closing of its previously announced non-brokered private placement (the "Offering") of up to 20,000,000 units ("the Units") at a price of CDN $0.15 per Unit.

Item 5.Full Description of Material Change

The Issuer announced it has raised gross proceeds of CDN $1,029,375 in an initial closing of the previously announced Offering of up to 20,000,000 Units at a price of CDN $0.15 per Unit. Each Unit consists of one (1) LeoNovus Common Share and one (1) Common Share purchase warrant entitling the holder to purchase one (1) LeoNovus Common Share for a period of two (2) years from the closing date of the Offering at an exercise price of CDN $0.24 per Common Share. This initial closing raised gross proceeds of $1,029,375 through the issuance of 6,862,500 Units. The securities to be issued pursuant to the Offering are subject to a four (4) month and one (1) day hold period from the date of issuance. Completion of this initial closing and the Offering is subject to final acceptance and approval of the TSX Venture Exchange.

In connection with this initial closing, an aggregate of CDN $82,350 in cash fees and 549,000 broker warrants will be paid to Fin-XO Securities Inc. as a finder’s fee. The broker warrants entitle the holder to purchase one (1) LeoNovus Common Share for a period of two (2) years from the date of issue at an exercise price of CDN $0.15 per Common Share.

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

The Issuer is not relying on sub-section 7.1(2) of National Instrument 51-102 or the equivalent provisions of the securities legislation in other jurisdictions governing the Issuer for the filing of this report.

Item 7. **Omitted Information**

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

Item 8. Executive Officers

For further information, please contact Gordon Campbell, Chairman, President and Chief Executive Officer of the Issuer at (408) 541-9400.

Item 9. Date of Report

DATED at Sunnyvale, California this 1st day of October 2012.

Per: *(s) James R. Fredrickson*
James R. Fredrickson, Chief Financial Officer