

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 **Name and Address of Company**

ANNIDIS CORPORATION (“Annidis” or the “Corporation”)
245-2650 Queensview Drive
Ottawa, ON K2B 8H6

Item 2 **Date of Material Change**

January 24, 2012.

Item 3 **News Release**

The news release dated January 24, 2012 was disseminated through Canada Newswire (CNW).

Item 4 **Summary of Material Change**

On January 24, 2012, Annidis announced that it has engaged Newport Private Wealth Inc. (“Newport”) to act as lead agent in a brokered private placement of a minimum of 5,000,000 units and a maximum of 10,000,000 units (the “Units”). Each Unit consisting of one common share in the capital of Annidis (“Common Share”) and one half of one Common Share purchase warrant (“Warrant”). The Units shall be offered at a price of \$0.40 per Unit for minimum aggregate gross proceeds of \$2,000,000 and maximum aggregate gross proceeds of \$4,000,000 (the “Offering”).

Item 5 **Full Description of Material Change**

5.1 **Full Description of Material Change**

On January 24, 2012, Annidis announced that it has engaged Newport to act as lead agent in a brokered private placement of a minimum of 5,000,000 Units and a maximum of 10,000,000 Units. Each Unit shall consist of one Common Share and one half of one Common Share purchase Warrant. The Units shall be offered at a price of \$0.40 per Unit for minimum aggregate gross proceeds of \$2,000,000 and maximum aggregate gross proceeds of \$4,000,000. Each whole Warrant shall entitle the holder thereof to purchase one additional Common Share at a price of \$0.80 per Common Share for a period of 3 years following the closing of the Offering.

The net proceeds of the Offering will be used for general working capital purposes. Completion of the Offering is subject to certain conditions including normal regulatory approvals and specifically, the approval of the TSX Venture Exchange. The Units will be offered in Ontario, British Columbia and Alberta in accordance with specific exemptions whereby Annidis will not be required to file a prospectus. In particular, the Units will be sold pursuant to exemptions contained in National Instrument 45-106, which shall include the “Accredited Investor” exemption and the “Minimum Amount Investment (\$150,000)” exemption. The securities offered pursuant to the Offering have not been and will not be registered under the *U.S. Securities Act of 1933*, as amended, or the securities laws of any state of the United States. Closing is anticipated to occur on or about February 7, 2012, but in any event no later than March 9, 2012, or such later date as Annidis may determine.

5.2 **Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

Item 7 **Omitted Information**

Not applicable.

Item 8 **Executive Officer**

The name of an executive officer of Annidis who is knowledgeable about the material change and who can be contacted is:

Gerald Slemko
Chief Executive Officer
Telephone: (519) 672-1524

Item 9 **Date of Report**

January 25, 2012.