FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 <u>Name and Address of Corporation</u>

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

Item 2 <u>Date of Material Change</u>

March 16, 2012.

Item 3 <u>News Release</u>

The news release dated March 19, 2012 was disseminated through Canada Newswire (CNW).

Item 4 <u>Summary of Material Change</u>

This Material Change Report updates information previously reported by the Corporation on March 19, 2012.

The Corporation completed a brokered private placement of 5,050,000 units at $0.40 per unit for total gross proceeds of $2,020,000. Insiders of the Corporation participated in the private placement having purchased a total of 2,000,000 Units.

Item 5 <u>Full Description of Material Change</u>

5.1 Full Description of Material Change

On March 16, 2012, the Corporation closed, subject to receipt of the TSX Venture Exchange's final acceptance, its previously announced (see News Release dated January 24, 2012) brokered private placement of units (the "**Offering**"). In connection with the Offering, the Corporation issued a total of 5,050,000 units at a price of $0.40 per unit, for total gross proceeds of $2,020,000. Each unit consisted of one (1) common share and one-half of one (0.5) common share purchase warrant (the "**Units**"). Each whole share purchase warrant entitles the holder to purchase one additional common share at a price of $0.80 per common share, for a period of 3 years following the closing date of the Offering.

The lead agent, Newport Private Wealth Inc. ("**Newport**"), completed the Offering on a best efforts basis. Newport is entitled to receive a cash commission of 3% of the gross proceeds of the Offering and agent warrants in an amount equal to 3% of the gross proceeds of the Offering. In addition, all brokers, including Newport, are entitled to receive a finders fee of 5% of the gross proceeds raised by each individual broker and agent warrants equal to 5% of the gross proceeds raised by each individual broker.

In accordance with applicable securities laws, all securities issued in connection with the Offering are subject to a hold period of four months plus one (1) day from the date of issuance.

The net proceeds from the Offering will be used for working capital purposes, including procuring inventory and to expand the sales and services part of the Corporation's business.

Insiders of the Corporation participated in this Offering, having purchased 2,000,000 Units, constituting related party transactions pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The Corporation relied on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(a) of Multilateral Instrument 61-101 on the basis that participation in the private placement by insiders did not exceed 25% of the fair market value of the Corporation's market capitalization.

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

March 23, 2012.