

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Corporation

ANNIDIS CORPORATION (the “**Corporation**”)
100 Maple Grove
Ottawa, Ontario K2V 1B8

Item 2 Date of Material Change

July 17, 2014

Item 3 News Release

The news release dated July 17, 2014 was disseminated through Canada Newswire (CNW).

Item 4 Summary of Material Change

The Corporation has issued a \$1,000,000 secured promissory note (the “**New Note**”) to a private investor in replacement of a \$1,000,000 Promissory Note which matured on June 7, 2014 (the “**Old Note**”). In connection with the surrender of the Old Note for cancellation, the Corporation paid the lender all accrued and outstanding interest on the Old Note up to and including November 30, 2014, along with a one-time note replacement fee of \$50,000.00. The New Note matures on January 31, 2017 and bears interest beginning December 1, 2013 at a rate of 12% per annum compounded monthly and payable at maturity. The Corporation has also issued to the lender 2,133,333 warrants for the purchase of common shares in the capital of the Corporation (“**Warrant**”). Each Warrant is exercisable at a price of \$0.30 per common share at any time prior to 4:00 p.m. (Ottawa time) on September 30, 2016.

Item 5 Full Description of Material Change

5.1 *Full Description of Material Change*

For a full description of the material change, please refer to the news release of the Corporation dated July 17, 2014, attached hereto as See Schedule “A”.

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

July 22, 2014

ANNIDIS CORPORATION

(signed) “Gerald Slemko” _____
Gerald Slemko
CEO

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