

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

**Item 1            Name and Address of Company**

Merus Labs International Inc. (the “**Company**” or “**Merus**”)  
100 Wellington Street West  
Suite 2110, PO Box 151  
Toronto, Ontario, M5K 1H1

**Item 2            Date of Material Change**

June 19, 2014

**Item 3            News Release**

A news release was issued by the Company on June 19, 2014 and distributed through Marketwired and filed on SEDAR.

**Item 4            Summary of Material Change**

The Company announced the closing of its previously announced bought deal financing with a syndicate of investment dealers (the “**Underwriters**”) co-led by Canaccord Genuity Corp., Clarus Securities Inc. and Cormark Securities Inc., and which also included Paradigm Capital Inc., TD Securities Inc. and Euro Pacific Canada Inc. Under the financing, Merus issued a total of 18,400,000 common shares at a price of \$1.70 per common share, inclusive of 2,400,000 common shares issued pursuant to the exercise in full of the over-allotment option by the Underwriters, for gross proceeds of \$31,280,000.

**Item 5            Full Description of Material Change**

**5.1            Full Description of Material Change**

On June 19, 2014, the Company announced the closing of its previously announced bought deal financing with a syndicate of investment dealers co-led by Canaccord Genuity Corp., Clarus Securities Inc. and Cormark Securities Inc., and which also included Paradigm Capital Inc., TD Securities Inc. and Euro Pacific Canada Inc. Under the financing, Merus issued a total of 18,400,000 common shares (“**Shares**”) at a price of \$1.70 per Share, inclusive of 2,400,000 Shares issued pursuant to the exercise in full of the over-allotment option by the Underwriters, for gross proceeds of \$31,280,000.

The net proceeds of the offering will be used for future acquisitions and general working capital.

**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**

Andrew Patient  
Chief Financial Officer  
Telephone: (416) 593-3725

**Item 9            Date of Report**

June 20, 2014