FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company:**

   Aurora Spine Corporation (the "Company")
   1920 Palomar Point Way
   Carlsbad, California 92008

2. **Date of Material Change:**

   July 5, 2016.

3. **News Release:**

   A news release disclosing the material change was issued on July 5, 2016 through the facilities of Marketwired and was filed with the applicable securities regulatory authorities via SEDAR on such date.

4. **Summary of Material Change:**

   On July 5, 2016, the Company announced that it had received a loan (the "Loan") in the aggregate principal amount of US$1,000,000 (the "Principal Amount") from an insider of the Company.

5. **Full Description of the Material Change:**

   On July 5, 2016, the Company announced that it had received a Loan in the aggregate principal amount of US$1,000,000 from an insider of the Company.

   The Company intends to use the Loan proceeds for general corporate purposes.

   The Loan is evidenced by a promissory note (the "Note") bearing interest at 9% per annum. The Principal Amount together with interest thereon is due on the five year anniversary of the date of the Note. The Company may prepay the Principal Amount and interest thereon, in whole or in part, at any time without penalty. The Company's wholly owned subsidiary, Aurora Spine, Inc., entered into certain ancillary agreements to guarantee and secure the obligations of the Company under the Note.

   The Loan constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") and the policies of the TSX Venture Exchange, but is otherwise exempt from the formal valuation and minority approval requirements of MI 61-101.

6. **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102:**

   Not applicable.

7. **Omitted Information:**

   Not applicable.

8. **Executive Officer:**

For further information, please contact Trent Northcutt, Chief Executive Officer, at (760) 424-2004.

9. **Date of Report:**

July 6, 2016.