

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

ALBERTA SECURITIES COMMISSION

Suite 600, 250 - 5th Street SW
Calgary, Alberta T2P 0R4

Attention: Executive Director

-and to-

BRITISH COLUMBIA SECURITIES COMMISSION

PO Box 10142 Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2

Attention: Executive Director

-and to-

TSX VENTURE EXCHANGE INC.

10th Floor, 300 - 5th Avenue SW
Calgary, Alberta T2P 3C4

Dear Sirs:

Re: HEMOSTEMIX INC. (the "Corporation") - Material Change Report

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of the Corporation. For convenience, this letter is itemized in the same manner as Form 51-102F3 of National Instrument 51-102. Concurrent with this filing, this letter is being filed with the TSX Venture Exchange, being the only exchange on which the Corporation's shares are currently listed.

1. Reporting Issuer:

Hemostemix Inc.

c/o 730, 1015 - 4th Street SW
Calgary, Alberta T2R 1J4
("Issuer" or "Corporation")

2. Date of Material Change:

September 22, 2016

3. News Release:

The Corporation issued a news release on or about September 22, 2016 through the facilities of Marketwired, a copy of which has also been filed on SEDAR.

4. Summary of Material Change:

The Corporation announced details on a proposed non-brokered private placement of subordinated secured convertible debentures.

5. Full Description of Material Change:

Please refer to the press release attached hereto as Schedule "A".

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

Not applicable.

7. Omitted Information:

No significant facts have been omitted by the report.

8. Executive Officer:

The following senior officer of the Issuer is knowledgeable about the material change and the Report and may be contacted by the Commission as follows:

David Berman, Chief Financial Officer: (416) 274-2160

Dated at Toronto, Ontario, this 22nd day of September, 2016.

HEMOSTEMIX INC.

Per: (Signed) "*David Berman*"
David Berman

IT IS AN OFFENCE UNDER THE SECURITIES ACT AND THE SECURITIES REGULATION FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.

SCHEDULE "A"

HEMOSTEMIX INC.

Hemostemix announces Offering

September 22, 2016, Toronto, Ontario - Hemostemix Inc. ("Hemostemix" or the "Company") (TSX VENTURE: HEM) (OTCQX: HMTXF) today announces a non-brokered private placement (the "**Private Placement**") of subordinated secured convertible debentures ("**Debenture**") for gross proceeds of up to Cdn\$500,000. The proceeds from the Debenture issuance will be used for the advancement of the Company's phase 2 clinical trial for its lead product, ACP-01, and general corporate purposes.

Dr. Elmar Burchardt, the Company's President & CEO, commented, "This is a significant step forward in our funding plans for the continued advancement of the trial. At the same time, it is a vote of confidence for management's plan to complete the trial. We are currently in negotiations to secure additional funding to expedite recruitment into the trial to the point of the important interim analysis and beyond."

The Debentures will have a term of two years from the date of issue and will bear interest at a rate of 6% per annum, payable semi-annually, which subject to regulatory approval may be at the option of the Company be paid in common shares at the prevailing market price at the date of issuance. The Debentures will be secured against all of the assets and personal property of the Company with the principal and any unpaid interest convertible at the holder's option at any time prior to maturity into common shares of the Company at a conversion price of CDN\$0.30 per common share. The Debentures and common shares issued upon conversion thereof, will be subject to a four months hold period from the date of issuance of the Debentures, in accordance with applicable securities laws and the policies of the TSX Venture Exchange. A cash finder's fee within TSX Venture Exchange policy guidelines may be paid in connection with the Private Placement, the terms of which are currently being negotiated and will be disclosed in a closing news release.

The Company may redeem the Debentures any time prior to the maturity date, in whole or in part, and from time to time without bonus or penalty, upon required prior notice at a redemption price equal to their principal amount plus accrued and unpaid interest. The Debenture also contains customary change of control provisions, including acceleration of the maturity date and increased interest rate to 10 per cent in the event of a change of control.

The Private Placement is subject to certain conditions including, but not limited to, regulatory approval and the acceptance of the TSX Venture Exchange. The Private Placement has received approval from the Board of Directors of the Company.

ABOUT HEMOSTEMIX INC.

Hemostemix is a public clinical-stage biotechnology company that develops and commercializes innovative blood-derived cell therapies for medical conditions not adequately addressed by current treatments. It is the first clinical-stage biotech company to test a stem-cell therapy in an international, multicenter, phase 2 clinical trial for patients with critical limb ischemia (CLI), a severe form of peripheral artery disease (PAD) caused by reduced blood flow to the legs. The phase 2 trial targets a participant's diseased tissue with proprietary cells grown from his or her blood that are capable of supporting the formation of new blood vessels. The clinical trial is currently open in Canada and South Africa. Hemostemix received clearance from the FDA to expand the ongoing trial to the United States.

Hemostemix Inc. is traded on the TSX Venture Exchange under the trading symbol HEM and on the OTCQX® Best Market under the trading symbol HMTXF. For more information, visit hemostemix.com or email office@hemostemix.com.

FOR MORE INFORMATION, PLEASE CONTACT:

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Chief Financial Officer
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Calgary, Alberta T2R 1J4
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Neither the TSX Venture Exchange Inc. nor its Regulation Service Provider (as that term is defined under the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FORWARD-LOOKING STATEMENTS

This release may contain forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential," and similar expressions, or that events or conditions "will," "would," "may," "could," or "should" occur. Although Hemostemix believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Forward-looking statements are based on the beliefs, estimates, and opinions of Hemostemix management on the date such statements were made. Hemostemix expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

This press release, provided pursuant to applicable Canadian requirements and does not constitute an offer of the securities described herein. These securities have not been registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons absent registration or applicable exemption from registration requirements.