FORM 51-102F3
Material Change Report

1. Name and Address of Company

RYU Apparel Inc. (the "**Company**")
1672 West 2nd Avenue
Vancouver, BC V6J 1H4

2. Date of Material Change

April 25, 2016

3. News Release

The news release was disseminated through Market News and Stockwatch on April 25, 2016

4 Summary of Material Change

The Company announced that it has settled outstanding debt in the amount of $569,948.50 through the issuance of 2,279,794 common shares at a deemed price of $0.25 per common share (the "**Debt Settlement**"). The Debt Settlement common shares are subject to a four month hold period but some of the creditors intend to exchange the shares received pursuant to the Debt Settlement with unrestricted shares held by an insider of the Company.

5. Full Description of Material Change

5.1 Full Description of Material Change

See Item 4 above and the attached news release for a full description of the material change.

One of the Creditors is a "related party" to the Company under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Accordingly, the Debt Settlement between the Company and the creditor is a "related party transaction" under MI 61-101. The board of directors of the Company has determined that neither the value of the shares to be issued nor the aggregate debt to be settled in connection with the Debt Settlement will exceed 25% of the Company's market capitalization on the date hereof. As a result, the Debt Settlement is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

The Debt Settlement was approved by the board of directors of the Company on April 25, 2016, with one directors abstaining with respect to the Debt Settlement as it relates to him.

The purpose of the Debt Settlement is to reduce the Company's liabilities whilst preserving its cash. The Company does not anticipate any material effect on the Company's business and affairs.

This material change report is being filed less than 21 days before the closing of the transaction. This shorter period is reasonable and necessary in the circumstances as the Company wished to complete the transaction in a timely manner.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

7. Omitted Information

None.

8. Executive Officer

Marcello Leone, CEO, President and Chairman of the Board, 604.235.2880

9. Date of Report

April 26, 2016

1672 WEST 2ND AVENUE
VANCOUVER BC V6J 1H4
604 235 2880
RYU.COM

RYU Apparel Announces Closing of Shares for Debt Transaction

Vancouver, BC – April 25, 2016 – RYU Apparel Inc. (TSX VENTURE: RYU & Frankfurt Stock Exchange: RYA), a global, tailored technical apparel and accessories brand engineered for the fitness, training and performance of the multi-discipline athlete, announces that further to its news release dated April 19, 2016, the Company has settled outstanding debt in the amount of $569,948.50 through the issuance of 2,279,794 common shares at a deemed price of $0.25 per common share (the "**Debt Settlement**"). The Debt Settlement common shares are subject to a four month hold period but some of the creditors intend to exchange the shares received pursuant to the Debt Settlement with unrestricted shares held by an insider of the Company.

As some of the shares will be issued to a company controlled by a director and officer of the Company, a portion of the Debt Settlement will constitute a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**").The board of directors of the Company (the "**Board**") has determined that neither the value of the shares to be issued nor the aggregate debt to be settled in connection with the Debt Settlement will exceed 25% of the Company's market capitalization on the date hereof. As a result, the Debt Settlement is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

For regular updates on RYU Apparel visit: http://ryu.com

About RYU
RYU Apparel Inc. is a global, tailored technical apparel and accessories brand engineered for the fitness, training and performance of the multi-discipline athlete. Designed without compromise, RYU exists to facilitate human performance. For more information, visit: http://ryu.com

On Behalf of the Board

RYU APPAREL INC.
"Marcello Leone"
Marcello Leone, CEO, President and Chairman of the Board
Tel: 604-235-2880

Investor Relations
Contact: Anna Brazier
Investor Relations

1-844-535-2880
investors@ryu.com
www.ryu.com

RESPECT YOUR UNIVERSE

For Media inquiries, contact:
Katie Stevens
778-686-0906
katies@talkshopmedia.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.