

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

May 20, 2016

3. News Release

The news release was disseminated through Market News and Stockwatch on May 20, 2016

4 Summary of Material Change

The Company announced that, subject to TSX Venture Exchange approval, agreed to issue a total of 740,000 common shares at a deemed price of \$0.20 per common share to two employees and one consultant pursuant to certain employment/marketing services agreements.

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.

The Company announced that, subject to TSX Venture Exchange approval, agreed to issue a total of 740,000 common shares at a deemed price of \$0.20 per common share to two employees and one consultant pursuant to certain employment/marketing services agreements.

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

May 20, 2016



RYU Apparel Announces Shares for Services

Vancouver, BC – May 20, 2016 – RYU Apparel Inc. (the “Company”) (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 it has, subject to TSX Venture Exchange approval, agreed to issue a total of 740,000 common shares at a deemed price of \$0.20 per common share to two employees and one consultant pursuant to certain employment/marketing services agreements.

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

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Investor Relations

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This news release contains forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of RYU, such as statements regarding the proposed shares for services and Exchange approval thereof. There are numerous risks and uncertainties that could cause actual results and RYU's plans and objectives to differ materially from those expressed in the forward-looking information, including: (i) adverse market conditions; (ii) the inability of RYU to close the shares for services transaction; or (iii) the Exchange not approving the shares for services transaction. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, RYU does not intend to update these forward-looking statements.

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.