

**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**

June 17, 2016

**3. News Release**

The news release was disseminated through Market News and Stockwatch on June 22, 2016

**4 Summary of Material Change**

The Company announced that it has granted 250,000 stock options to one of its executive officers, 70,000 stock options to a person conducting investor relations and an aggregate of 2,265,000 to employees for the purchase of up to an aggregate 2,585,000 common shares of the Company pursuant to its Stock Option Plan. Each option is exercisable for a period of five years at a price of \$0.25 per common shares. The stock options vest as follows: (i) 20,000 stock options vest immediately, (ii) as to 2,495,000 stock options, 25% immediately, 25% after 1 year, 25% after 2 years and 25% after 3 years, and (iii) as to 70,000 stock options, 25% after 3 months, 25% after 6 months, 25% after 9 months and 25% after 12 months.

**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.

**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**

June 23, 2016



## RYU Apparel Announces Grant of Stock Options

**Vancouver, BC – June 22, 2016** – RYU Apparel Inc. (the “Company”) (TSX VENTURE: RYU & Frankfurt Stock Exchange: RYA), a global, tailored technical urban athletic apparel and accessories brand engineered for the fitness, training and performance of the multi-discipline athlete, announces that it has granted 250,000 stock options to one of its executive officers, 70,000 stock options to a person conducting investor relations and an aggregate of 2,265,000 to employees for the purchase of up to an aggregate 2,585,000 common shares of the Company pursuant to its Stock Option Plan. Each option is exercisable for a period of five years at a price of \$0.25 per common shares. The stock options vest as follows: (i) 20,000 stock options vest immediately, (ii) as to 2,495,000 stock options, 25% immediately, 25% after 1 year, 25% after 2 years and 25% after 3 years, and (iii) as to 70,000 stock options, 25% after 3 months, 25% after 6 months, 25% after 9 months and 25% after 12 months.

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

### About RYU

RYU Apparel Inc. is a global, tailored technical urban athletic 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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Investor Relations

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