

**FORM 51-102F3  
MATERIAL CHANGE REPORT  
UNDER NATIONAL INSTRUMENT 51-102**

**Item 1            Name and Address of Company**

Abattis Bioceuticals Corp. (the "Issuer")  
104 - 9295 198th Street,  
Langley, B.C., V1M 3J9

**Item 2            Date of Material Change**

August 12, 2016

**Item 3            News Release**

A news release was disseminated on August 12, 2016 through the facilities of NewsFile and subsequently filed on SEDAR.

**Item 4            Summary of Material Change**

On August 12, 2016, Abattis Bioceuticals Corp. (the "**Company**" or "**Abattis**") (OTCQX: ATTFB) (CSE: ATT) announced that the Company issued 2,621,452 common shares as compensation for services to consultants, directors and employees of the Company for the month ended July 31, 2016. Abattis also announced the death of one of its directors Terence (Tim) Fealey. The Company also announced that it arranged a credit facility for up to \$50,000 from Crimson Opportunities Ltd., a company controlled by Rene David, the CFO of the Abattis.

**Item 5            Full Description of Material Change**

Abattis announced that the Company issued 2,621,452 common shares as compensation for services to consultants, directors and employees of the Company for the month ended July 31, 2016, no legend was required on any of the issued shares.

The Company was saddened to announce the untimely death of one of its directors, Tim Fealey. Mr. Fealey joined the Abattis board in 2011 as was a member of the audit committee. The board of directors is currently seeking a replacement.

Rene David, CFO of Abattis commented that "Terence (Tim) Fealey was a valued advisor and integral member of the Abattis board. He provided Abattis with insight and guidance that helped Abattis immeasurably. He was a terrific businessman, friend and mentor. His presence will be missed. Our condolences go out to his family."

The Company also announced that it has arranged a \$50,000 CAD credit facility (the "**Facility**") from Crimson Opportunities Ltd. (the "**Lender**"), a company controlled by Rene David, the CFO of the Abattis.

The Facility is evidenced by a convertible promissory note (the "**Note**") which is unsecured and is due 24 months from the date of issuance of the Note, upon an event of default or upon a private placement of at least \$250,000 in gross proceeds (the "**Maturity Date**"). Interest accrues at a rate

of 10% per annum and is payable quarterly. The principal and interest under the Note is convertible at the election of the Lender with the conversion price being the lower of: (i) \$0.05 per common share; or (ii) the allowable discounted to market price for each common share as permitted by the rules of the Canadian Securities Exchange (the “**Exchange**”). The proceeds from the Facility will be used for general corporate purposes. The Facility also requires a \$5,000 CAD initiation fee. All securities issued in conjunction with the Facility will be subject to a four-month hold period under applicable securities law.

The Facility constitutes a "related party transaction", as defined under Multilateral Instrument 61-101 – Take-over Bids and Special Transaction (“MI 61-101”). The transactions will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of any shares issued to or the consideration paid for the Note will exceed 25% of the Company's market capitalization and Abattis is not listed on a specified market. The transaction was approved unanimously by the board of directors; all directors are independent of the related party transaction.

There are no prior valuations prior valuation in respect of the Company that relates to the subject matter of or is otherwise relevant to the transaction the existence of which is known, after reasonable inquiry, to the Company or to any director or senior officer of the issuer.

Other than the agreements relating to the transaction, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the transaction.

This material change report is being filed less than 21 days prior to the entering into of the Facility. The shorter period was necessary in order to permit the Company to obtain necessary funds to make necessary payables.

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

N/A

**Item 7            Omitted Information**

N/A

**Item 8            Executive Officer**

Rene David  
CFO  
Abattis Bioceuticals Corp.  
Tel: 604.336.0881

**Item 9            Date of Report**

August 25, 2016

**Cautionary Note Regarding Forward Looking Statements**

*This material change report contains certain forward-looking statements about the Company's future plans and intentions, including statements relating to the Company's intention to implement changes across its business to achieve growth. Wherever possible, words such as “may”, “will”, “should”, “could”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict”, “scheduled” or “potential” or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect Management's current beliefs and are based on information currently available to management as at the date hereof.*

*Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.*