

# ARCH BIOPARTNERS INC.

## **Re: Material Change Report** **Form 51-102F3**

### **1. Name and Address of Company:**

Arch Biopartners Inc., (the “Company”)

545 King Street West  
Toronto, Ontario  
M5V 1M1

### **Mailing:**

27 St. Clair Ave East  
P.O. Box 305  
Toronto, Ontario  
M4T 2M5

### **2. Date of Material Change:**

Feb 28, 2017

### **3. News Release:**

A news release was distributed via NASDAQ Marketwired in Toronto on February 28, 2017. A copy of the News release is attached as Schedule “A”.

### **4. Summary of Material Change**

The Company closed a private placement of common shares.

### **5. Full Description of Material Change**

The Company announced the closing of a non-brokered private placement. The Company issued 1,000,000 common shares at a price of \$0.40 per common share, for net total proceeds of \$400,000. The common shares will be subject to a hold period of 4 months plus one day from the closing date of February 28, 2017.

The Company now has 54,849,679 common shares outstanding.

Management of the Company believes the material changes described herein will have a positive impact on the Company’s cash position, business operations and prospects for future corporate activity.

**6. Reliance on subsection 7.1(2) or (3) of NI51-102**

Not applicable.

**7. Omitted Information**

No information has been omitted from this report on the basis that it is confidential information.

**8. Executive Officer**

For further information regarding this report, please contact Richard Muruvé, a Director and CEO of the Company, at 647-428-7031.

The foregoing accurately discloses the material changes referred to herein.

**DATED at Toronto, this 6th day of March, 2017.**

**SCHEDULE A  
PRESS RELEASE  
FOR IMMEDIATE DISTRIBUTION  
February 28, 2017**

**ARCH BIOPARTNERS CLOSES NON BROKERED PRIVATE  
PLACEMENT FINANCING**

Toronto, Canada - Arch Biopartners Inc., (Arch or the Company) (TSX Venture: ACH and OTCBB: FOIFF) a portfolio based biotechnology company, announced today it has raised \$400,000 with the closing of the non-brokered private placement the Company announced in a press release February 21, 2017 (The "Offering"). Pursuant to the Offering, Arch issued 1,000,000 common shares priced at \$0.40 per common share (the "Common Shares"). All Common Shares issued in connection with the Offering will be subject to a hold period of four months and one day from the closing date.

Arch received Conditional Acceptance from the TSX Venture Exchange for this private placement on February 24, 2017.

The Company intends to use the proceeds from the private placement for the ongoing commercial development of AB569 including the commencement of a phase I inhalation safety trial in healthy volunteers. AB569 is the Company's drug candidate for treating drug resistant bacterial infections.

The Offering is subject to certain conditions including, but not limited to, the receipt of applicable regulatory approvals, including Final Approval of the TSXV. Finder's fees were not paid in connection with the Offering. There is no material fact or material change about the Company that has not been generally disclosed.

**About Arch Biopartners**

Arch Biopartners Inc. is focused on the development of innovative technologies that have the potential to make a significant medical or commercial impact. Arch works closely with the scientific community, universities and research institutions to advance and build the value of select preclinical technologies, develop the most promising intellectual property, and create value for its investors.

Arch has established a diverse portfolio that includes AB569, a potential new treatment for antibiotic resistant bacterial infections; Metablok, a potential treatment for sepsis and cancer metastasis; MetaMx, which targets elusive brain tumor initiating cells; and, 'Borg' peptide coatings that increase corrosion resistance and decrease biofilm on various medical grade metals and plastics.

For more information on Arch Biopartners, other public documents Arch has filed on SEDAR and its technologies including, please visit [www.archbiopartners.com](http://www.archbiopartners.com)

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**For more information, please contact:**

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**Forward-Looking Statements**

All statements, other than statements of historical fact, in this news release are forward looking statements that involve various risks and uncertainties, including, without limitation, statements regarding the future plans and objectives of the Company. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. The Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.

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