

# 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:**

June 30, 2020

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

A news release was distributed via GlobeNewswire in Toronto on June 30, 2020. 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 it closed a non-brokered private placement offering of 900,000 common shares priced at \$1.50 per common share (the “Common Shares”) for gross and net proceeds of up to \$1,350,000 (the “Offering”).

The Offering is subject to certain conditions including, but not limited to, the receipt of applicable regulatory approvals, including Final Approval of the TSX Venture Exchange.

All Common Shares issued in connection with the Offering are subject to a hold period of four months and one day from the closing date.

There is no material fact or material change about the Company that has not been generally disclosed.

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 July, 2020.**

**SCHEDULE A**  
**PRESS RELEASE - FOR IMMEDIATE DISTRIBUTION**

**June 30, 2020**

**Arch Biopartners Closes Non-Brokered Private Placement**

Toronto, Canada - Arch Biopartners Inc. (“Arch” or the “Company”) (TSX Venture: ARCH and OTCQB: ACHFF), a clinical stage company developing new drug candidates for treating organ damage caused by inflammation, announced today it has closed the non-brokered private placement the Company disclosed in a press release June 24, 2020 (The “Offering”). Pursuant to the Offering, Arch issued 900,000 common shares priced at CAD \$1.50 per common share (the “Common Shares”) for net proceeds of \$1,000,000 USD (\$1,350,000 CAD).

The proceeds of the Offering will be used to support the Phase II trial for its lead drug Metablok (LSALT peptide) to prevent acute lung and kidney injury experienced by patients with COVID-19.

The Offering is subject to certain conditions including, but not limited to, the receipt of applicable regulatory approvals, including Final Approval of the TSX Venture Exchange. 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.

There is no material fact or material change about the Company that has not been generally disclosed. There were no finder’s fees paid in connection with the Offering.

**About Arch Biopartners**

Arch Biopartners Inc. is a clinical stage company focused on the development of innovative technologies that have the potential to make a significant medical or commercial impact. Arch is developing a drug pipeline to produce new drug candidates that inhibit inflammation in the lungs, liver and kidneys caused via the dipeptidase-1 (DPEP-1) pathway.

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

The Company has 60,782,302 common shares outstanding.

**For more information, please contact:**

Richard Muruve  
Chief Executive Officer  
Arch Biopartners, Inc.  
647-428-7031  
[info@archbiopartners.com](mailto:info@archbiopartners.com)

**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.

*The Company is not making any express or implied claims that its product has the ability to eliminate, cure or contain the Covid-19 (or SARS-2 Coronavirus) at this time.*

*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.*