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:

December 18, 2019

3. News Release:

A news release was distributed from Toronto via Intrado on December 18, 2019. A copy of the News release is attached as Schedule "A".

4. Summary of Material Change

The Company announced that the Phase I human trial of Metablok (LSALT peptide) has completed dosing of all scheduled volunteers and Metablok has met the primary endpoints of safety and tolerability. Metablok is the Company's lead drug candidate for treating organ damage caused by inflammation.

5. Full Description of Material Change

The Company announced that the Phase I human trial of Metablok (LSALT peptide) has completed dosing of all scheduled volunteers and Metablok has met the primary endpoints of safety and tolerability. Metablok is the Company's lead drug candidate for treating organ damage caused by inflammation.

Metablok was well tolerated during the placebo-controlled trial and no drug-related adverse effects were observed in any of the forty-four volunteers, split into five groups.

Three of the groups received either a low, medium or high single dose of Metablok and the remaining two groups received a low or medium single daily dose over three days.

Arch is expected to close the trial over the next week with a database lock in early 2020. Final results and study reports will be released over the next 3 months.

During this time, Arch management will begin preparations to engage the U.S. FDA in discussion regarding a future drug application and Phase II trial for Metablok.

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 23th day of December, 2019.

SCHEDULE A

PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION
December 18, 2019

ARCH BIOPARTNERS ANNOUNCES METABLOK ACHIEVES PRIMARY ENDPOINTS OF SAFETY AND TOLERABILITY IN PHASE I TRIAL

Toronto, Canada - Arch Biopartners Inc., ("Arch" or the "Company") (TSX Venture: ARCH and OTCQB: ACHFF) announced today that the Phase I human trial of Metablok (LSALT peptide) has completed dosing of all scheduled volunteers and Metablok has met the primary endpoints of safety and tolerability. Metablok is the Company's lead drug candidate for treating organ damage caused by inflammation.

Metablok was well tolerated during the placebo-controlled trial and no drug-related adverse effects were observed in any of the forty-four volunteers, split into five groups. Three of the groups received either a low, medium or high single dose of Metablok and the remaining two groups received a low or medium single daily dose over three days.

Arch is expected to close the trial over the next week with a database lock in early 2020. Final results and study reports will be released over the next 3 months.

During this time, Arch management will begin preparations to engage the U.S. FDA in discussion regarding a New Drug Application and Phase II trial for Metablok.

Metablok Phase I clinical trial

Arch has been conducting the Phase I clinical trial for Metablok with healthy volunteers in Melbourne, Australia. The Phase I trial is a double-blind, placebo-controlled, randomized, single and multiple ascending dose study to evaluate the safety and pharmacokinetic profile of Metablok.

The successful Phase I trial is expected to be followed by a Phase II trial to investigate Metablok's efficacy at preventing inflammation related acute kidney injury in patients undergoing cardiac surgery.

Cardiac Surgery-Associated Acute Kidney Injury

Acute kidney injury (AKI) represents an additional challenge for patients recovering from cardiac surgery. AKI occurs in approximately 30% of patients that undergo cardiac bypass surgery with approximately 5-7% of patients requiring dialysis. For patients who recover from the need for dialysis or mild AKI, there is a greater likelihood of developing chronic kidney disease in future than those who did not have AKI.

Currently, no specific therapies exist to prevent AKI. Worldwide, there are over one million patients per year that have cardiac surgery procedures. Inflammation is known to contribute to AKI related to ischemia-reperfusion and other insults to the kidney that may occur in the course of cardiac surgery.

Metablok is a novel therapeutic agent that may protect the kidneys and prevent AKI in patients undergoing cardiac surgery.

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 library, led by Metablok, to produce new drug candidates that inhibit organ inflammation caused via the 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

The Company has 59,462,302 common shares outstanding.

For more information, please contact:

Richard Muruve
Chief Executive Officer
Arch Biopartners, Inc.
647-428-7031
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.

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.