

ARCH BIOPARTNERS INC.

Re: Material Change Report Form 51-102F3

1. Name and Address of Company:

Arch Biopartners Inc., (the "Company")

174 Spadina Avenue Suite 502A
Toronto, Ontario
M5T 2C2.

Mailing:

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

2. Date of Material Change:

January 12, 2015

3. News Release:

A news release was distributed via Canadian Marketwire in Toronto on January 12, 2015. A copy of the News release is attached as Schedule "A".

4. Summary of Material Change

The Company closed a private placement of Units.

5. Full Description of Material Change

The Company announced the closing of a non-brokered private placement. The Company issued 1,881,500 Units at a price of \$0.35 per Unit, for gross total proceeds of \$658,525. Each Unit comprises of one common share and one common share purchase warrant. Each warrant allows the holder to purchase an additional common share at \$0.70 cents during the 24 month period following the close of the private placement. The common shares and any common shares issued from the exercise of the warrants will be subject to a hold period of 4 months from the closing date of January 12, 2015.

Management of the Company expects a second tranche of approximately \$91,525 to close on or before January 26, 2015, pursuant to the terms of the first tranche described herein.

The net proceeds will be used toward the clinical development of MetaMx, the Company's brain tumor initiating cell (BTIC) targeting technology.

The Company now has 52,856,679 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 22nd day of January, 2015.

**SCHEDULE A
PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION
January 12, 2015**

**ARCH BIOPARTNERS CLOSES FIRST TRANCHE OF PRIVATE
PLACEMENT**

Toronto, Canada - Arch Biopartners Inc (“Arch or the “Company”) (ACH-CSE and FOIFF-OTCBB) announced today it has raised \$658,525 by closing the first tranche of the non-brokered private placement it announced in a press release January 6, 2015. Pursuant to the terms of the private placement, Arch issued 1,881,500 Units at a price of \$0.35 per unit (the “Units”). Each Unit consists of one common share of the Company and one common share purchase warrant (the “Warrant”). Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of \$0.70 per common share until 5:00PM EST on January 13, 2017.

All securities issued in connection with this offering are subject to a statutory hold period expiring on May 13, 2015.

Management of the Company expects a second tranche of approximately \$91,525 to close on or before January 26, 2015, pursuant to the terms of the first tranche described herein.

The net proceeds will be used toward the clinical development of MetaMx, the Company’s brain tumor initiating cell (BTIC) targeting technology.

The Company now has 52,856,679 common shares outstanding.

About Arch Biopartners

Arch Biopartners is a portfolio based biotechnology company established to develop new products and technology for unmet medical needs. The Company’s lead technology is MetaMx. Arch intends to perform a human trial to characterize the safety and pharmacokinetics of MetaMx and to demonstrate the efficacy of MetaMx to cross the human blood brain barrier and detect BTICs and invasive glioma cells. Such results in human patients will increase the value of MetaMx not only as a diagnostic and imaging tool but also as a potential drug delivery platform to destroy BTICs and invasive glioma cells.

The Company’s website address is: www.archbiopartners.com .

For more information on the Company, please consult the other public documents filed on SEDAR at www.sedar.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 CSE has not reviewed and does not accept responsibility for the adequacy of this release.

For more information, please contact:

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(647) 428 7031
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