

FORM 51-102F3
IMAGING DYNAMICS COMPANY LTD.
MATERIAL CHANGE REPORT

1. Name and Address of Company

Imaging Dynamics Company Ltd. (“IDC” or the “Corporation”)
130, 3510 – 29th Street NE
Calgary, Alberta
T1Y 7E5

2. Date of Material change

May 2nd, 2018

3. Press Release

A press release on this material change was issued by Imaging Dynamics Company Ltd. on May 11, 2018 and disseminated through ComputerShare and subsequently filed on SEDAR. A copy of the press release is attached as Schedule “A” hereto.

4. Summary of Material Change

The financing of wholly-owned subsidiary, IDC Shanghai, has closed (the “Transaction”) effective May 2nd, 2018.

5. Full Description of Material Change

For a full description of the material change, please refer to the press release attached as Schedule “A” hereto.

6. Reliance on Section 7.1(2) of National Instrument 51-102

Not applicable.

7. Omitted Information

None.

8. Executive Officer Knowledgeable of Material Change

Ms. Rong Xue
Chief Financial Officer
Imaging Dynamics Company Ltd.
rxue@imagingdynamics.com
Telephone 1- 403-251-9939
Toll Free 1- 866-975-6737

9. Date of Report

May 11, 2018

Cautionary Statement Regarding Forward-Looking Information

Statements in this material change report may contain forward-looking information. Any statements that are contained in this material change report that are not statements of historical fact may be deemed to be forward looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "expects" and similar expressions. Forward-looking information in this material change report includes statements with respect to the expected use of proceeds from the Offering. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Corporation. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this material change report are expressly qualified by this cautionary statement.

The forward-looking statements contained in this material change report are made as of the date of this material change report, and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.

SCHEDULE "A"



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IDC Announces the Closing of Financing of Wholly-Owned Subsidiary

Calgary, Alberta – May 10, 2018 - Imaging Dynamics Company Ltd. ("IDC" or the "Company") (TSXV:IDL) is pleased to announce that the financing of Wholly-Owned Subsidiary, IDC Shanghai, has closed (the "Transaction") effective May 2nd, 2018. IDC Shanghai entered into a financing arrangement with Beijing Sheng Zexin Technology Development Co (BSZ), Beijing Xiangyuda Technology Co. (BXT), and Shanghai FuLi Medical Technology Limited Partnership ("FuLi"). The financing arrangement will result in the following ownership structure: BSZ – 36.5%, BXT – 30.5%, FuLi – 13% and IDC 20%, pursuant to which BSZ, BXT and Fuli will subscribe for 36.5 million common shares ("Shares"), 30.5 million shares and 13 million shares, respectively, in the capital of the Subsidiary, at a price of 1 Renminbi ("RMB") per share, for gross proceeds of RMB 80 million (approximately CAD \$16,091,108).

Full Description of Material Change

The company expects that the Transaction may (a) allow the Subsidiary to improve market penetration in China, where relatively recent changes to government policies and regulations require state owned hospitals, which comprise more than 80% of medical devices market share in China, to purchase medical devices from locally owned or controlled companies; (b) may provide IDC with capital needed to explore strategic growth opportunities both in and outside of China, as well as provide the Subsidiary with the capital needed to support its Chinese operations in the near term; (c) may generally improve the financial situation of both the Subsidiary and the Company and may increase the Company's credit rating through the repayment of debt.

Proceeds from the Transaction will be used for the repayment of debt of the Subsidiary, research and development of new technology and products, and general corporate purposes of the Subsidiary. As a result of the Transaction, BSZ and BXT now hold 36.5% and 30.5%, respectively, of the issued and outstanding Shares of the Subsidiary. Both BSZ and BXT are arm's length parties. Pursuant to the terms of the Financing Agreements, it is expected that the composition of the Subsidiary's board of directors will change.

Impact on the Company

Prior to the closing of the Transaction, revenue generated by the Subsidiary constituted approximately 80% of the revenues of the Company on a consolidated basis. It is anticipated that the Transaction may result in a significant and material decrease in IDC's sales revenue as well as its recognized losses.

The Company also expects that the Transaction may improve the long-term financial health of the Subsidiary and the Company. IDC believes that the Transaction may also result in an increase in the Company's revenues in the second half of the year in 2018 due to the Subsidiary's improved access to the Chinese's medical device market.

About Imaging Dynamics Company (IDC):

IDC is a global medical imaging technology provider and innovative force in the high growth field of digital radiography (DR) technology.

The Company has thousands of installations in 50 countries of its proprietary, award winning direct capture DR technology, which replaces conventional film-based diagnostic imaging and provides a cost-effective solution for medical facilities of all sizes to provide high quality diagnostic X-ray images and improve the level of healthcare for their patients.

Throughout its history, IDC has been recognized by multiple industry organizations and research analysts such as: Frost & Sullivan and Deloitte Technology; for its dedication to innovation, global market growth, and customer focused value proposition.

The Company has its corporate office in Calgary, Canada, a sales and marketing office in Beijing, China, and also operations, research and development centres in Calgary, Canada and Shanghai, China. Visit the IDC web site: www.imagingdynamics.com

For more information, please contact:

Ms. Rong Xue

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Statements in this release which describe IDC's intentions, expectations or predictions, or which relate to matters that are not historical facts are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of IDC to be materially different from any future results, performances or achievements expressed in or implied by such forward-looking statements. IDC may update or revise any forward-looking statements, whether as a result of new information, future events or changing market and business conditions. Known and unknown risks and uncertainties include: IDC's ability to manufacture its products with a sufficient level of quality and in volumes which satisfy market demand; the ability of IDC to establish direct and indirect sales channels; the ability of IDC to establish industry partnerships; IDC's ability to attract and retain key personnel; the strength and breadth of IDC's patents; and other factors relating to general economic conditions, specific industry conditions and IDC's particular situation.

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

