

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of the Corporation

Vaxil Bio Ltd. ("**Vaxil**" or the "**Corporation**")
4576 Yonge Street, 6th Floor
Toronto, Ontario, M2N 6N4

Item 2 Date of Material Change

January 26, 2018.

Item 3 News Release

A news release with respect to the material change referred to in this report was issued by the Corporation through Globenewswire on January 30, 2018, and filed under the Corporation's profile on the system for electronic document analysis and retrieval (SEDAR) at www.sedar.com on February 7, 2018.

Item 4 Summary of Material Change

On January 26, 2018, Vaxil completed its previously announced non-brokered private placement financing of 36,200,00 units of the Corporation (the "**Units**") at a price of \$0.05 per Unit for aggregate gross proceeds of \$1,810,000 (the "**Offering**")

Item 5 Full Description of Material Change

On January 26, 2018, Vaxil completed its previously announced non-brokered private placement financing of 36,200,00 Units of the Corporation at a price of \$0.05 per Unit for aggregate gross proceeds of \$1,810,000. Each Unit consists of one common share in the capital of the Corporation (a "**Common Share**"), and one common share purchase warrant (a "**Warrant**"). Each such Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.10 per Common Share until January 26, 2021.

In connection with the Offering, the Corporation paid finder fees consisting of (i) a cash commission equal to 7.0% of the gross proceeds raised by such finders in the Offering, and (ii) a number of finder's warrants ("**Finder Warrants**") equal to 7.0% of the gross proceeds raised by such finders in the Offering, with each such Finder Warrant entitling the holder thereof to purchase one Common Share at a price of \$0.05 per Common Share until January 26, 2020.

All securities issued under the Offering are subject to a four month hold period which will expire on May 27, 2018.

Insider Participation

Certain "insiders" of the Corporation have subscribed for Units under the Offering, the effect of which is described on Appendix "A".

Each subscription by an "insider" is considered to be a "related party transaction" for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") and Policy 5.9 – *Protection of Minority Security Holders in Special Transactions* of the TSX

Venture Exchange. The Corporation did not file this material change report more than 21 days before the expected closing date of the Offering as the details of the Offering and the participation therein by each "related party" of the Corporation were not settled until shortly prior to the closing of the Offering, and the Corporation wished to close the Offering on an expedited basis for sound business reasons. The Corporation is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Corporation is exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on sections 5.5(a) and (b) of MI 61-101 as the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of the Corporation's market capitalization, and no securities of the Corporation are listed or quoted for trading on prescribed stock exchanges or stock markets. Additionally, the Corporation is exempt from minority shareholder approval requirement in section 5.6 of MI 61-101 in reliance on section 5.7(b) as the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of the Corporation's market capitalization.

The Offering was approved by the board of directors of Vaxil in writing pursuant to subsection 129(1) of the *Business Corporations Act* (Ontario). The Corporation will send a copy of this material change report to any shareholder of the Corporation who requests a copy of it.

The gross proceeds from the Offering will be used by the Corporation to fund research and development of medical vaccinations and for general corporate purposes.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Isaac Maresky
Director and Chief Executive Officer
Vaxil Bio Ltd.
Telephone: (416) 227-9667
Facsimile: (647) 351-6200

Item 9 Date of Report

February 22, 2018

APPENDIX "A"
OWNERSHIP OF SECURITIES OF THE CORPORATION PRE-OFFERING AND POST-OFFERING

Insider	Insider Relationship	Common Shares Held Prior to Offering	Warrants Held Prior to Offering	Percentage Held Prior to Offering (Basic Basis)	Percentage Held Prior to Offering (Partially-Diluted Basis)	Units Purchased	Subscription Amount	Common Shares Held After Offering	Warrants Held After Offering	Percentage Held After Offering (Basic Basis)	Percentage Held After Offering (Partially-Diluted Basis)
Ari Kellen	Director of Vaxil	Nil.	Nil.	Nil.	Nil.	4,985,000	\$249,250	4,985,000	4,985,000	5.74%	10.86%
Shawn Langer	Director of Vaxil	Nil.	Nil.	Nil.	Nil.	4,985,000	\$249,250	4,985,000	4,985,000	5.74%	10.86%
		Nil.	Nil.	Nil.	Nil.	9,970,000	\$498,500	9,970,000	9,970,000	11.48%	21.72%