

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 – NAME AND ADDRESS OF COMPANY

Lattice Biologics Ltd. (formerly, Blackstone Ventures Inc.) (the “Company”)
16701 North 90th Street, Ste 101
Scottsdale, Arizona
85260

ITEM 2 – DATE OF MATERIAL CHANGE

December 23, 2015

ITEM 3 – NEWS RELEASE

The Company issued news releases relating to the material change on December 23, 2015 and December 29, 2015, which were disseminated to the TSX Venture Exchange and through Stockwatch and Marketnews and filed on SEDAR with the securities commissions of British Columbia, Alberta and Saskatchewan.

ITEM 4 – SUMMARY OF MATERIAL CHANGE

The Company announced that it had received conditional approval from the TSX Venture Exchange for the Company’s previously announced change of business and reverse take-over transaction involving the acquisition of all of the issued and outstanding common stock of Lattice Biologics Inc. (the “Transaction”), and subsequently announced that it had closed the Transaction.

ITEM 5 – FULL DESCRIPTION OF MATERIAL CHANGE

See attached News Releases.

ITEM 6 – RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7 – OMITTED INFORMATION

No significant information has been omitted from this form on the basis that it is confidential information.

ITEM 8 – EXECUTIVE OFFICER

The following executive officer of the Company is knowledgeable about the material change and this Report:

Donald McInnes, Director – Telephone: (604) 678-6747

ITEM 9 – DATE OF REPORT

January 4, 2016

BLACKSTONE VENTURES INC.
1900 - 1055 West Hastings Street
Vancouver, British Columbia
V6E 2E9

NEWS RELEASE

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAWS.

BLACKSTONE RECEIVES CONDITIONAL APPROVAL FOR LATTICE ACQUISITION

Vancouver, British Columbia, December 23, 2015 – Blackstone Ventures Inc. (the “**Company**” or “**Blackstone**”) (TSX-V: **BLV**) is pleased to announce that it has received conditional approval from the TSX Venture Exchange (the “**Exchange**”) for its Change of Business and Reverse Take-Over transaction involving the acquisition (the “**Acquisition**”) of all of the issued and outstanding shares of Lattice Biologics Inc. (“**Lattice**”), previously disclosed in the Company’s news releases dated August 6, September 21, September 29, October 5, November 6, November 27, and December 15, 2015.

In connection with the Acquisition, Lattice has settled US \$500,000 previously owing under a convertible note through the issuance of 1,306 shares of its common stock. As a result, the aggregate consideration to be provided to the current shareholders of Lattice pursuant to the Acquisition has been increased to include an aggregate of 38,905,353 post 3:1 consolidation consideration shares (the “**Consideration Shares**”), comprised of 7,529,705 post 3:1 consolidation common shares and 31,375,648 non-voting restricted shares. It is anticipated that the Consideration Shares will be free from resale restrictions under applicable Canadian securities laws, but will be subject to escrow in accordance with the policies of the Exchange.

In addition, in connection with the Company’s engagement of Haywood Securities Inc. (“**Haywood**”) as sponsor in connection with the Acquisition, the Company has paid Haywood a cash fee and has agreed to issue Haywood 392,489 post 3:1 consolidation common shares (the “**Haywood Shares**”) in connection with the closing of the Acquisition. The Haywood Shares will be subject to a hold period of four months and one day from the date of issuance.

All other aspects of the Acquisition remain unchanged. For further information, see the Company’s Filing Statement in respect of the Acquisition dated December 21, 2015, which is available under the Company’s profile at www.SEDAR.com.

Closing of the Acquisition remains subject to a number of conditions including, receipt of final Exchange approval, execution of a definitive agreement between the Company and Lattice in respect of the transaction and satisfaction of other customary closing conditions. There can be no assurance that the Acquisition will be completed as proposed or at all.

On Behalf of the Board of Directors of
BLACKSTONE VENTURES INC.

Donald McInnes
Chief Executive Officer
Tel: (604) 678-6747
Email: dmcinnes@oxygencapitalcorp.com

Completion of the Acquisition is subject to a number of conditions, including Exchange acceptance. The transaction cannot close until the required approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement to be prepared in connection with the transaction, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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

This news release may include forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, operating successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements except as required under the applicable laws.

United States Advisory

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), have been offered and sold outside the United States to eligible investors pursuant to Regulation S promulgated under the U.S. Securities Act, and may not be offered, sold, or resold in the United States or to, or for the account of or benefit of, a U.S. Person (as such term is defined in Regulation S under the United States Securities Act) unless the securities are registered under the U.S. Securities Act, or an exemption from the registration requirements of the U.S. Securities Act is available. Hedging transactions involving the securities must not be conducted unless in accordance with the U.S. Securities Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in the state in the United States in which such offer, solicitation or sale would be unlawful.

LATTICE BIOLOGICS LTD.
(formerly Blackstone Ventures Inc.)
16701 North 90th Street, Ste 101
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NEWS RELEASE

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LATTICE BIOLOGICS ACQUISITION COMPLETED

Vancouver, British Columbia, December 29, 2015 – Lattice Biologics Ltd. (formerly, Blackstone Ventures Inc.) (the “**Company**”) (TSX-V: **LBL**) is pleased to announce that it has completed its Change of Business and Reverse Take-Over transaction involving the acquisition (the “**Acquisition**”) of all of the issued and outstanding common stock of Lattice Biologics Inc. (“**Lattice**”) previously disclosed in the Company’s news releases dated August 6, September 21, September 29, October 5, November 6, November 27, December 15 and December 23, 2015.

Completion of Conditions Precedent

In connection with the closing of the Acquisition, the Company consolidated its outstanding common shares (on a three to one basis), adopted the new articles (the “**New Articles**”) previously approved by the Company’s shareholders on November 6, 2015, and increased its authorized capital to also include an unlimited number of preferred shares and an unlimited number of convertible non-voting restricted shares (the “**Non-Voting Restricted Shares**”). Following receipt of TSX Venture Exchange (the “**Exchange**”) conditional approval for the Acquisition on December 23, 2015, all of the Company’s outstanding subscription receipts (the “**Subscription Receipts**”) issued under its private placement (the “**Private Placement**”) closings announced on October 5 and December 15, 2015, automatically converted (the “**Conversion**”) into an aggregate of 5,234,000 post-consolidated common shares and 2,616,999 common share purchase warrants (the “**Warrants**”), with each Warrant entitling the holder thereof to purchase one post-consolidated common share of the Company at \$0.60 per share for a period of 12 months from the date of issuance, subject to acceleration in the event that the closing price of the Company’s common shares on the Exchange is more than \$0.75 for five consecutive trading days. In connection with the Conversion, funds representing 50% of the aggregate proceeds of the Private Placement which had been held in escrow in accordance with the terms of the Subscription Receipts were released to the Company.

Acquisition

In accordance with the terms of an agreement and plan of merger dated December 23, 2015 among the Company, Lattice and a wholly-owned subsidiary of the Company (“**Subco**”), Lattice was merged into Subco, with Subco being the surviving company and renamed to “Lattice Biologics Inc.” (“**LBI**”), a wholly-owned subsidiary of the Company existing under the laws of the State of Delaware. The Company issued former Lattice stockholders an aggregate of 7,529,705 post-consolidated common shares and 31,375,648 Non-Voting Restricted Shares (together, the “**Consideration Shares**”) in exchange for all of the previously issued and outstanding common stock of Lattice.

In connection with the closing of the Acquisition, the Company also issued 392,489 post-consolidated common shares (the “**Haywood Shares**”) to Haywood Securities Inc., who acted as sponsor in connection with the Acquisition, and the Company issued an aggregate of 500,000 warrants (the “**Grenville Warrants**”) to Grenville Strategic Royalty Corp., with the same terms as the Warrants, in connection with a US \$700,000 working capital loan previously advanced by Grenville to Lattice in connection with the announcement of the Acquisition.

Upon closing of the Acquisition, the Company has 17,047,335 post-consolidated common shares issued and outstanding. On a fully-diluted basis, assuming conversion of all issued and outstanding Non-Voting Restricted Shares, Warrants, Grenville Warrants, and previously disclosed warrants issued to finders in connection with the Private Placement, the Company would have 51,722,512 common shares issued and outstanding.

All of the post-consolidated common shares and Warrants issued pursuant to the Conversion and the Consideration Shares issued under the Acquisition are free from re-sale restrictions under applicable Canadian securities laws. Consideration Shares issued to directors, officers and insiders of the Company will be subject to a hold period of four months and one day from the date of issuance under Exchange policies. In addition, the Haywood Shares and Grenville Warrants will be subject to a hold period of four months and one-day.

Name Change

In connection with the closing of the Acquisition, the Company changed its name from Blackstone Ventures Inc. to “Lattice Biologics Ltd.”

Directors, Officers and Principal Security Holders

In connection with the closing of the Acquisition, John Greig and Rupert Legge resigned as directors of the Company. In addition, Donald McInnes resigned as Chief Executive Officer of the Company and David Douglas resigned as Chief Financial Officer of the Company.

Lattice’s former principal shareholders, namely Guy Cook, and Cheryl Farmer, each of Phoenix, Arizona, will serve as Chief Executive Officer and Chief Financial Officer of the Company, respectively. Ms. Farmer will also serve as Corporate Secretary and Gregory Davis will serve as Chief Operating Officer. In addition, the Company’s board of directors has been reconstituted to include Mr. Cook, Ms. Farmer, Cathy Thomas, CPA, of Danville, California and Mario Stifano, CPA of Toronto, Ontario. In addition, Donald McInnes of Vancouver, British Columbia, will also remain as a member of the Company’s board.

In connection with the Acquisition, Guy Cook acquired ownership and control over 4,435,279 post-consolidated common shares and 18,480,141 Non-Voting Restricted Shares. Immediately prior to the Acquisition, Mr. Cook held no securities of the Company. Upon completion of the Acquisition, Mr. Cook holds direct ownership and control over 4,435,279 post-consolidated common shares, representing 26.02% of the outstanding post-consolidated common shares on closing of the Acquisition and 18,480,141 Non-Voting Restricted Shares representing 58.90% of the outstanding Non-Voting Restricted shares outstanding on closing of the Acquisition. Assuming conversion of all of Mr. Cook’s Non-Voting Restricted Shares into the underlying common shares, Mr. Cook would hold 22,915,420 common shares representing 64.50% of the 35,527,476 common shares then issued and outstanding.

Also in connection with the Acquisition, Cheryl Farmer acquired ownership and control over 1,129,168 post-consolidated common shares and 4,704,819 Non-Voting Restricted Shares. Immediately prior to the Acquisition, Ms. Farmer held no securities of the Company. Upon completion of the Acquisition, Ms.

Farmer holds direct ownership and control over 1,129,168 post-consolidated common shares, representing 6.62% of the outstanding post-consolidated common shares on closing of the Acquisition and 4,704,819 Non-Voting Restricted Shares representing 15.00% of the outstanding Non-Voting Restricted shares outstanding on closing of the Acquisition. Assuming conversion of all of Ms. Farmer's Non-Voting Restricted Shares into the underlying common shares, Ms. Farmer would hold 5,833,987 common shares representing 26.82% of the 21,752,154 common shares then issued and outstanding.

Each of Mr. Cook and Ms. Farmer acquired the shares for investment purposes, and has no present intention to acquire further securities of the Company, although either of Mr. Cook or Ms. Farmer may in the future participate in financings and/or acquire or dispose of securities of the Company in the market, privately or otherwise, as circumstances or market conditions warrant.

Copies of the Early Warning Reports filed by each of Mr. Cook and Ms. Farmer with the applicable securities regulators in respect of the above acquisitions are available at www.sedar.com under the Company's SEDAR profile.

Escrowed Securities

As disclosed in the Filing Statement, in accordance with Exchange policies, an aggregate of 8,681,926 post-consolidated common shares and 31,375,648 Non-Voting Restricted Shares will be held in escrow pursuant to the an escrow agreement with the Company's transfer agent, CST Trust Company, as escrow agent.

Subsequent to the date of the Filing Statement, in connection with the Exchange's review of the Acquisition, in accordance with Exchange policies the Exchange confirmed that: (1) an aggregate of 7,737,187 common shares and 27,439,281 Non-Voting Restricted shares held by Principals (as that term is defined in the policies of the Exchange) of the Company will, following closing, be held pursuant to a Tier 1 "Surplus Escrow Agreement" (as that term is defined in the policies of the Exchange) (a "**Surplus Agreement**"); and (2) 944,739 common shares and 3,936,367 Non-Voting Restricted Shares held by non-principals of the Company will be held pursuant to a Tier 1 "Value Escrow Agreement" (as that term is defined in the Policies of the Exchange) (a "**Value Agreement**").

Securities escrowed under a Surplus Agreement will be released from escrow as follows: 10% upon issuance of the Exchange bulletin granting final approval for the Acquisition and related transactions (the "**Final Bulletin**"); 20% on the date that is six months from the date of the Final Bulletin; 30 % on the date that is 12 months from the date of the Final Bulletin and 40% on the date that is 18 months from the date of the Final Bulletin.

Securities escrowed under a Value Agreement will be released from escrow as follows: 25% upon issuance of the Final Bulletin; 25% on the date that is six months from the date of the Final Bulletin; 25 % on the date that is 12 months from the date of the Final Bulletin and 25% on the date that is 18 months from the date of the Final Bulletin

The name and residence of the Principals of the Company who will hold common shares and Non-Voting Restricted Shares subject to a Surplus Agreement is as follows.

Name and Municipality of Residence	Number of Common Shares held	Percentage of Total ⁽¹⁾
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Donald McInnes Vancouver, BC	1,152,221	6.76%
Guy Cook Phoenix, Arizona	4,435,279	26.02%
Cheryl Farmer Phoenix, Arizona	1,129,168	6.62%
Mario Stifano Toronto, Canada	254,063	1.49%
Gregory Davis Phoenix, Arizona	152,438	0.89%
Cathy Thomas Danville, California	614,018	3.60%
TOTAL	7,737,187	45.39%

Notes:

- (1) Based on 17,047,335 post-consolidated common shares of the Company issued and outstanding.

Name and Municipality of Residence	Number of Non-Voting Restricted Shares held	Percentage of Total⁽¹⁾
Guy Cook Phoenix, Arizona	18,480,141	58.90%
Cheryl Farmer Phoenix, Arizona	4,704,819	15.00%
Mario Stifano Toronto, Canada	1,058,585	3.37%
Gregory Davis Phoenix, Arizona	635,151	2.02%
Cathy Thomas Danville, California	2,560,585	8.16%
TOTAL	27,439,281	87.45%

Notes:

- (1) Based on 31,375,648 Non-Voting Restricted Shares issued and outstanding.

New Auditor

Prior to the completion of the Acquisition, the auditors of the Company were Hay & Watson, Chartered Professional Accountants. The auditors of LBI who prepared the audited financial statements for LBI included in the Filing Statement were audited by MNP, LLP, Chartered Accountants. In connection with the completion of the Acquisition and related transactions disclosed in the Filing Statement, it is anticipated that MNP, LLP, Chartered Accountants will continue on as auditors of the Company on a going-forward basis.

MNP, LLP, Chartered Accountants have advised Lattice, and LBI, that they are independent of Lattice within the meaning of the Code of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

Advance Notice Provisions

The Company also announced that in connection with the adoption of the New Articles, the Company has now adopted advance notice provisions (the “**Advance Notice Provisions**”) relating to the election of directors of the Company.

The Advance Notice Provisions include, among other things, a provision that requires advance notice be given to the Company in circumstances where nominations of persons for election to the board are made by shareholders.

The Advance Notice Provisions set a deadline by which shareholders must submit nominations (a “**Notice**”) for the election of directors to the Company prior to any annual or special meeting of shareholders. The Advance Notice Provisions also set forth the information that a shareholder must include in the Notice to the Company, and establish the form in which the shareholder must submit the Notice for that notice to be in proper written form.

In the case of an annual meeting of shareholders, a Notice must be provided to the Company not less than 30 days and not more than 65 days prior to the date of the annual meeting. However, in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, a Notice must be provided to the Company not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual meeting), a Notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

A copy of New Articles containing the Advance Notice Provisions is available under the Company's profile on SEDAR at www.sedar.com.

Additional Information

Final Exchange approval for the Acquisition and related transactions and re-commencement of trading on the Exchange remain subject to the Company completing all applicable filing requirements under Exchange policies.

For further information in respect of the Company, LBI, the Acquisition and the terms of the Non-Voting Restricted Shares, please see the Company's filing statement in respect of the Acquisition, dated December 21, 2015 (the “**Filing Statement**”), which is available under the Company's profile at www.sedar.com.

“We are pleased to finalize the Acquisition transaction with the Company and Donald McInnes. We are excited about the future prospect of building LBL into an industry leader in regenerative medicine,” said Guy Cook, CEO of the Company.

On Behalf of the Board of Directors of

LATTICE BIOLOGICS LTD.

Guy Cook
Chief Executive Officer and Director

Cheryl Farmer
Chief Financial Officer, Corporate Secretary and Director

Tel: (602) 723-1934
Email: cfarmer@latticebiologics.com

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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

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United States Advisory

The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), have been offered and sold outside the United States to eligible investors pursuant to Regulation S promulgated under the U.S. Securities Act, and may not be offered, sold, or resold in the United States or to, or for the account of or benefit of, a U.S. Person (as such term is defined in Regulation S under the United States Securities Act) unless the securities are registered under the U.S. Securities Act, or an exemption from the registration requirements of the U.S. Securities Act is available. Hedging transactions involving the securities must not be conducted unless in accordance with the U.S. Securities Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in the state in the United States in which such offer, solicitation or sale would be unlawful.