

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Abattis Bioceuticals Corp.
Suite 1040 – 885 West Georgia Street
Vancouver, BC V6C 3E8

Item 2. Date of Material Change

October 24, 2014

Item 3. News Release

A news release dated and disseminated October 24, 2014 at Vancouver, British Columbia, through The Newswire.ca, CSE Markets and SEDAR is attached as Schedule "A".

Item 4. Summary of Material Change

See news release, a copy of which is attached hereto.

Item 5. Full Description of Material Change

See news release, a copy of which is attached hereto.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

Michael Withrow, President & CEO
Telephone: 778.896.6536

Item 9. Date of Report

October 27, 2014

ABATTIS FILES FOR INJUNCTIVE RELIEF IN WASHINGTON STATE AND CLAIMS DAMAGES AGAINST FORMER EMPLOYEES, BUSINESS ASSOCIATES AND COMPETITOR, AFFINOR GROWERS, INC. AND CERTAIN OF ITS ASSOCIATES

Vancouver, BC – October 24, 2014 - Abattis Bioceuticals Corp. (the “Company” or “Abattis”) (OTCQX: ATBTF) (CSE: ATT), wishes to advise its shareholders that it has today, in U.S. Federal court in Washington State, filed suit for damages and injunctive relief against prior employees of PhytaLab (Dr. Kaleb Lund and Ms. Lauren Hilty), a former business associate (James Baxter), a competitor (Affinor Growers, Inc.), its director and former Abattis director (Nick Brusatore) and an employee of Herbal Analytics LLC (Erin Leary).

PhytaLab is owned 51% by Abattis through its subsidiary, Abattis Bioceuticals International Inc. PhytaLab, originally founded as Phytalytics LLC, was the first laboratory to provide testing services in Washington State for medical Cannabis under State law. PhytaLab recently announced that it received provisional certification from the Washington State Liquor Control Board, thus enabling it to provide services for the new legal Cannabis industry (refer to Abattis’ news release of September 8, 2014).

In early September, 2014, Dr. Lund and Ms. Hilty, part-owners of PhytaLab and consultants to Abattis, provided PhytaLab with 30-days’ notice of their resignations as managers of PhytaLab. After providing notice, but prior to the effective date of their resignations, they joined with Mr. Baxter and Affinor Growers Inc. (CSE:AFF OTC: RSSFF) (via a Washington State subsidiary), to incorporate a new Washington State limited liability company, Herbal Analytics, LLC, for the purpose of competing with PhytaLab in providing testing services in Washington State for medical Cannabis.

Last week Abattis obtained information that indicates that certain of the defendants, in conspiracy with the other defendants, stole confidential and proprietary information belonging to PhytaLab for the purpose of using PhytaLab’s proprietary information to prepare an I-502 application with the state of Washington, to re-create PhytaLab’s laboratory facilities and business model, and to take business from PhytaLab. Lund and Hilty’s actions are willful breaches of their fiduciary duties as managers of PhytaLab, detrimental to the value of their fellow shareholders’ investment in PhytaLab, and in direct contravention of their ongoing consulting contracts with and obligations to Abattis.

In conjunction with our partner, Dr. Michelle Sexton, an owner and the Chief Executive Manager of PhytaLab, Abattis and PhytaLab have acted quickly to prepare a Complaint for Damages and Injunctive Relief, as well as an emergency motion for a temporary restraining order (TRO). The Complaint and TRO were filed with the U.S. District Court for the Western District of Washington and served on the defendants earlier this morning. As an emergency motion, a hearing on the matter is anticipated to take place within 2-3 business days with the TRO being put in place at that time. A full hearing for a preliminary injunction to run until the conclusion of legal proceedings is expected to occur some time within 30-45 days of the entry of the TRO.

While we cannot guarantee that we will be successful in obtaining the TRO, these types of requests are overwhelmingly granted in cases such as this where the defendants’ egregious behavior is plain and involves confidential and proprietary information. As such, we are confident that the information that we have obtained will strongly support the immediate imposition of a TRO and a preliminary injunction thereafter. Upon obtaining the TRO and preliminary injunction, and until a trial on the merits and a permanent injunction is obtained, the defendants will immediately be required to: (a) as to Dr. Lund and Ms. Hilty, stop breaching their fiduciary duties, cease unfairly competing against PhytaLab/Abattis, and stop breaching their obligations under their consulting agreements with Abattis; and (b) as to all defendants: (i) stop tortiously interfering with PhytaLab’s ongoing and potential business relationships with its employees, customers and prospective customers; (ii) stop conspiring against PhytaLab/Abattis; (iii) stop their use of PhytaLab’s converted property; (iv) stop their misappropriation of PhytaLab’s trade secrets; (v) stop using information obtained from PhytaLab’s computers for the benefit of the defendants and to the detriment of PhytaLab/Abattis; (vi) preserve all evidence of their wrongful theft of

PhytaLab's confidential and proprietary information as well as their scheme to breach their fiduciary obligations to the detriment of their fellow shareholders; and (vii) hold all monies generated as a result of their wrongful acts as constructive trustees for the benefit of PhytaLab/Abattis with the eventual requirement to transfer the funds to PhytaLab/Abattis.

We will provide further updates to our shareholders as this case proceeds.

Chairman and CEO of Abattis, Mike Withrow, commented, "Our shareholders have been financially attacked by individuals who owed an absolute duty of loyalty and goodwill to the company. We will use all legal avenues available to us to stop their anticompetitive activity and recapture any and all losses suffered and any gains they made from their actions. Abattis welcomes spirited competition but we will not stand idly by and allow nefarious schemes to derail the execution of our best-in-class business model." He went on to say, "Affinor proudly proclaimed on September 9th that "Herbal Analytics has the staff, instrumentation, and procedures necessary to comply with the scope of tests that Washington State requires for I-502 quality control of Cannabis and associated derivatives." Initially we wished them well in their endeavors but were stunned to subsequently learn that former owners of PhytaLab and consultants to Abattis had conspired with Mr. Nick Brusatore, the Chairman of Affinor and former Director of Abattis, to steal valuable confidential and proprietary information from PhytaLab with the intent to harm Abattis. This scheme was devised and implemented while these individuals were under contract to Abattis and shareholders and managers of PhytaLab. Upon review of the evidence, we were simply amazed by the brazenness of their conduct and the willful manner in which they disregarded their contractual obligations and promises. We have replaced the staff at Phytalab with talented people who come with strong credentials and passion for science. I am pleased to have Ms. Katherine Maloney, M.Sc Pharm. and Kyle Shelton join are team."

About Phytalab.com

We wish to advise our shareholders that despite the defendants' efforts, PhytaLab commenced operations last month upon receipt of the provisional certification and has started to generate initial I-502 based revenues from its business. PhytaLab offers Cannabis analysis laboratory services under provisional certification by the Washington State Liquor Control Board (WSLCB). PhytaLab intends to continue to expand its business of providing quality control testing services for I-502 Market Marijuana Producers and Processors.

PhytaLab continues to lead the industry in scientific expertise with a team experienced in the quality control, product development and use of botanical medicines. Dr. Michelle Sexton is a published researcher and comes with extensive background and experience in analytical chemistry and phytochemical analysis. Dr. Sexton provided contracted services to the WSLCB for design of the certification quality control checklist for good laboratory practice. Dr. Sexton continues to lead our operations at PhytaLab. In addition, since the departure of Dr. Lund and Ms. Hilty, PhytaLab has engaged new highly qualified personnel who are assisting us with our business expansion plans in Washington State.

PhytaLab (www.phytalab.com) is the original Washington Cannabis testing facility setting the standard for Good Laboratory Practice in the Cannabis industry. It comes to this industry with extensive herbal product experience. It offers a range of services for growers, producer/processors and retail facilities and provides data on which to base informed business decisions. Its background in Botanical Medicine puts it first when you are looking for help in product development for specific plant chemotypes and standardization for reproducibility and efficacy. PhytaLab offers consulting services to both business and regulatory entities. We can help with questions around methods, safety, packaging and labeling, and more. Please contact us for our unrivaled expertise.

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About Abattis

Abattis is a specialty biotechnology company with capabilities through its wholly owned subsidiaries of cultivating, licensing and marketing proprietary ingredients, bio-similar compounds, patented equipment and consulting services to medicinal markets in North America. The Company is positioned to capitalize on the fast growing trend toward marijuana legalization in the United States and for medicinal use in Canada and international jurisdictions, by supplying and partnering with companies to employ its mass cultivation systems, extraction equipment/technology, and strategic marketing support to licensed growers. The Company also has an extensive pipeline of high-quality products and intellectual property for the rapidly expanding botanical drug market. We follow strict standard operating protocols, and adhere to the applicable laws of Canada and foreign jurisdictions. For more information, visit the Company's website at: www.abattis.com.

ON BEHALF OF THE BOARD

"Mike Withrow"

Michael Withrow, President & CEO

For further information, contact the Company's CEO, Michael Withrow at (778) 896-6536 or at news@abattis.com.

NEITHER THE CANADIAN SECURITIES EXCHANGE NOR ITS REGULATIONS SERVICES PROVIDER HAVE REVIEWED OR ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

FORWARD LOOKING INFORMATION

This press release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this press release. Actual results could differ materially from those currently anticipated due to a number of factors and risks various risk factors discussed in the Company's Management's Discussion and Analysis under the Company's profile on www.sedar.com. While the Company may elect to, it does not undertake to update this Information at any particular time.