

**MATERIAL CHANGE REPORT**  
Form 51-102F3  
Section 7.1 of National Instrument 51-102

**Item 1 Name and Address of Company**

Starrex International Ltd.  
199 Bay Street, Suite 2200,  
Toronto, Ontario M5L 1G4

**Item 2 Date of Material Change**

Friday, February 5, 2016

**Item 3 News Release**

A new release was issued via Marketwired on Monday, February 8, 2016.

**Item 4 Summary of Material Change**

Management of Starrex International Ltd. ("**Starrex**" or the "**Corporation**") proposed to restate the Corporation's 2014 audited financial statements ("**2014 Audited Financial Statements**").

**Item 5 Full Description of Material Change**

Management of Starrex proposed to restate the Corporation's 2014 Audited Financial Statements following discussions with staff of the Ontario Securities Commission (the "**OSC**") respecting the treatment of recent acquisitions which affect the Corporation's financials statements for the year ended December 31, 2014.

In addition, Starrex updated its news releases dated December 9, 23 and 31, 2015 and January 12 and 26, 2016 regarding its intention to restate and re-file: (i) its first, second and third quarter unaudited interim financial statements for the periods ended March 31, June 30 and September 30, 2015; (ii) the corresponding management's discussions and analyses for the quarterly periods ended March 31, June 30 and September 30, 2015; and (iii) the management's discussion and analysis for the year ended December 31, 2014 (collectively, the "**Restatements**"). The Corporation intends to file the Restatements as soon as is reasonably possible; however, the Corporation is in discussions with OSC staff regarding the timing to restate and file the 2014 Audited Financial Statements, as well as the 2015 Restatements, and to file the 2015 Audited Financial Statements, the latter being due to be filed on or before April 30, 2016.

The Corporation had applied to the OSC for a management cease trade order in accordance with the the terms of National Policy 12-203. The OSC issued a temporary management cease-trade order on December 30, 2015 which was extended on January 11, 2016. Such management cease-trade order - which prohibits the Corporation's Chief Executive Officer, Philip Garrett Clayton, and Chief Financial Officer, Deborah Ramiriz, from all trading in, and all acquisitions of, securities of Starrex until two full business days following receipt by the OSC

of all filings which the Corporation is required to make under Ontario securities law or other order of the Director - remains in effect. Starrex intends to make an application to the OSC to extend the maximum two-month period contemplated by National Policy 12-203 for management cease-trade orders.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51 -1 02**

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Inquiries in respect of the material change referred to herein may be made to:

Ronald Mann, Secretary, Chief Operating Officer and Investor Relations Officer

tel: (647) 981-2782

email: [rmann@starrexintl.com](mailto:rmann@starrexintl.com)

**Item 9 Date of Report**

This report is dated as of the 9<sup>th</sup> day of February, 2016.