

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

Item 1. Name and Address of Company

Cartier Iron Corporation (“Cartier Iron” or the “Corporation”)
20 Adelaide Street East, Suite 200
Toronto, Ontario M5C 2T6

Telephone: (416) 360-8006
Facsimile: (416) 361-1333

Item 2. Date of Material Change

December 18, 2020

Item 3. News Release (including date and method of dissemination)

A new release was issued on December 21, 2020 and subsequently filed on SEDAR.

Item 4. Summary of Material Change

Cartier Iron closed on December 18, 2020, and announced on December 21, 2020, that it had closed the previously announced (see Cartier Iron news release dated December 15, 2020) non-brokered private placement (the “Private Placement”) of 2,500,000 flow-through shares of Cartier Iron at a price of \$0.14 per share (“F-T Shares”) for proceeds of \$350,000. Each F-T Share was issued on a “flow-through” basis under the *Income Tax Act* (Canada). Insiders of Cartier Iron subscribed for 714,287 F-T Shares in the Private Placement.

In connection with the closing of the Private Placement, an arm’s length finder received as compensation \$17,500 in cash.

Given that a director and senior officers of the Corporation participated in the Private Placement, that portion of the Private Placement constituted a “related party transaction” within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”). In its consideration and approval of the Private Placement, the board of directors of the Corporation determined that the Private Placement was exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis that the fair market value of the Common Shares issued to related parties did not exceed 25% of the market capitalization of the Corporation, in accordance with Sections 5.5 and 5.7 of MI 61-101. The Corporation did not file a material change report at least 21 days prior to the anticipated date of completion of the Private Placement due to the Corporation’s determination that it was in the best interests of the Corporation to avail itself of the proceeds and complete the Private Placement in an expeditious manner.

The proceeds of the Private Placement will be used to finance exploration at the Big Easy Property in Newfoundland and Labrador and all securities issued pursuant to the Private Placement are subject to the applicable statutory four-month hold period.

Item 5. Full Description of Material Change

Cartier Iron closed on December 18, 2020 and announced on December 21, 2020 that it had closed the previously announced (see Cartier Iron news release dated December 15, 2020) non-brokered private placement (the "Private Placement") of 2,500,000 flow-through shares of Cartier Iron at a price of \$0.14 per share ("F-T Shares") for proceeds of \$350,000. Each F-T Share was issued on a "flow-through" basis under the *Income Tax Act* (Canada). Insiders of Cartier Iron subscribed for 714,287 F-T Shares in the Private Placement.

In connection with the closing of the Private Placement, an arm's length finder received as compensation \$17,500 in cash.

Given that a director and senior officers of the Corporation participated in the Private Placement, that portion of the Private Placement constituted a "related party transaction" within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). In its consideration and approval of the Private Placement, the board of directors of the Corporation determined that the Private Placement was exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis that the fair market value of the Common Shares issued to related parties did not exceed 25% of the market capitalization of the Corporation, in accordance with Sections 5.5 and 5.7 of MI 61-101. The Corporation did not file a material change report at least 21 days prior to the anticipated date of completion of the Private Placement due to the Corporation's determination that it was in the best interests of the Corporation to avail itself of the proceeds and complete the Private Placement in an expeditious manner.

The proceeds of the Private Placement will be used to finance exploration at the Big Easy Property in Newfoundland and Labrador and all securities issued pursuant to the Private Placement are subject to the applicable statutory four-month hold period.

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

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:

Jorge Estepa, Vice-President
Phone: (416) 360-8006

Item 9. Date of Report

This report is dated as of the 21st day of December, 2020.