

NAVASOTA RESOURCES INC.

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Company

Navasota Resources Inc. (the "**Company**")
120 Adelaide Street West, Unit 2015
Toronto, Ontario
M5H 1T1

Item 2: Date of Material Change

June 25, 2018

Item 3: News Release

A news release was issued and disseminated on June 26, 2018 and filed on SEDAR at www.sedar.com, a copy of which is attached hereto as Schedule "A".

Item 4: Summary of Material Change

The Company has announced the closing of its previously announced debt settlement (the "**Debt Settlement**") with certain arm's length and non-arm's length creditors (the "**Creditors**"), pursuant to which the Company settled indebtedness of \$285,633 through the issuance of 5,712,660 common shares ("**Debt Shares**") at a deemed price of \$0.05 per Debt Share.

Greg Wilson ("**Wilson**"), an insider of the Company, acquired 820,826 Debt Shares representing \$41,041.30 in aggregate principal amount of the debt converted and he is considered to be a "related party" for the purposes of Multilateral Instruments 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), and his participation in the Offering is considered to be a "related party transaction" for the purposes of MI 61-101. The effect of the participation of Wilson in the Offering is described hereto in Schedule "B".

Marc Lustig ("**Lustig**"), an insider of the Company, acquired 820,826 Debt Shares representing \$41,041.30 in aggregate principal amount of the debt converted and he is also considered to be a "related party" for the purposes of MI 61-101, and his participation in the Offering is considered to be a "related party transaction" for the purposes of MI 61-101. The effect of the participation of Lustig in the Offering is described hereto in Schedule "B".

Steven Mintz ("**Mr. Mintz**"), an insider of the Company, acquired 344,005 Debt Shares representing \$17,200.25 in aggregate principal amount of the debt converted and he is also considered to be a "related party" for the purposes of MI 61-101, and his participation in the Offering is considered to be a "related party transaction" for the purposes of MI 61-101. The effect of the participation of Mr. Mintz in the Offering is described hereto in Schedule "B".

Heather Mintz ("**Ms. Mintz**"), the spouse of Mr. Mintz, acquired 688,010 Debt Shares representing \$34,400.50 in aggregate principal amount of the debt converted. The effect of the participation of Ms. Mintz in the Offering is described hereto in Schedule "B".

The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Company is exempt from both requirements since: (i) the securities of the Company are not listed or quoted on one of the exchanges or markets specifically identified in MI 61-101; (ii) neither the fair market value of the securities distributed in the Debt Settlement nor the consideration to be received for those securities, insofar as the transactions involves interested parties, exceeded \$2,500,000; and (iii) the Company has one or more independent directors and, at least two thirds of said independent directors approved the transaction, all as required pursuant to sections 5.5 and 5.7 of MI 61-101.

Item 5.1: Full Description of Material Change

See attached news release at Schedule "A" to this report.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7: Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8: Executive Officer

For additional information with respect to this material change, the following person may be contacted:

Michael Lerner
Chief Executive Officer and Director
E: mlerner@gmail.com
T: (416) 710.4906

Item 9: Date of Report

This report is dated as of the 4th day of July, 2018

SCHEDULE "A"

NAVASOTA RESOURCES INC.

NEWS RELEASE

NAVASOTA RESOURCES ANNOUNCES CLOSING OF DEBT SETTLEMENT

Toronto, Ontario, June 26, 2018 – Navasota Resources Inc. (the "**Company**") is pleased to announce the completion yesterday of its previously announced debt settlement (the "**Debt Settlement**") with certain arm's length and non-arm's length creditors (the "**Creditors**"). Pursuant to the Debt Settlement, the Company settled indebtedness of \$285,633 through the issuance of 5,712,660 common shares ("**Debt Shares**") at a deemed price of \$0.05 per Debt Share. The Debt Shares issued pursuant to the Debt Settlement are subject to a statutory hold period of four months and a day from the date of issuance.

As noted in the Company's news release issued on April 23, 2018 (the "**Initial News Release**"), certain Creditors are considered a "related party" to the Company under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Debt Settlements* ("**MI 61-101**"). However, these Debt Settlements are exempt from the formal valuation and majority of the minority shareholder approval set out in MI 61-101 for the reasons described in the Initial News Release. The Company did not file a material change report at least 21 days prior to the completion of the Debt Settlement since the extent of the related party participation was not determined at that time.

Pursuant to the Debt Settlement, Greg Wilson of Ottawa, Ontario, acquired 820,826 Debt Shares. Mr. Wilson now owns an aggregate of 1,320,826 common shares in the capital of the Company ("**Common Shares**") and common share purchase warrants ("**Warrants**") exercisable for the purchase of 500,000 Common Shares, representing 13.51% of the issued and outstanding Common Shares on a non-diluted basis, and 17.71% on a partially-diluted basis (assuming exercise of Mr. Wilson's convertible securities). Mr. Wilson acquired these securities for investment purposes and may, from time to time, acquire additional securities of the Company or dispose of such securities as Mr. Wilson may deem appropriate. A copy of the early warning report being filed by Mr. Wilson may be obtained on the Company's SEDAR profile or by contacting the Company at 416-710-4906.

Pursuant to the Debt Settlement, Marc Lustig of West Vancouver, British Columbia, acquired 820,826 Debt Shares. Mr. Lustig now owns an aggregate of 1,320,826 Common Shares and Warrants exercisable for the purchase of 500,000 Common Shares, representing 13.51% of the issued and outstanding Common Shares on a non-diluted basis, and 17.71% on a partially-diluted basis (assuming exercise of Mr. Lustig's convertible securities). Mr. Lustig acquired these securities for investment purposes and may, from time to time, acquire additional securities of the Company or dispose of such securities as Mr. Lustig may deem appropriate. A copy of the early warning report being filed by Mr. Lustig may be obtained on the Company's SEDAR profile or by contacting the Company at 416-710-4906.

Pursuant to the Debt Settlement, Jason I. Goldman Professional Corporation ("**JGPC**"), a corporation controlled by Jay Goldman of Toronto, Ontario, acquired 1,032,015 Debt Shares. JGPC, together with Jennifer Goldman, the spouse of Mr. Goldman, now owns an aggregate of 1,532,015 Common Shares and Warrants exercisable for the purchase of 500,000 Common Shares, representing 15.67% of the issued and

outstanding Common Shares on a non-diluted basis, and 19.77% on a partially-diluted basis (assuming exercise of Ms. Goldman's convertible securities). JGPC acquired these securities for investment purposes and may, from time to time, acquire additional securities of the Company or dispose of such securities as Mr. Goldman may deem appropriate. A copy of the early warning report being filed by JGPC may be obtained on the Company's SEDAR profile or by contacting the Company at 416-710-4906.

Pursuant to the Debt Settlement, Steven Mintz of Toronto, Ontario, acquired 1,032,015 Debt Shares. Mr. Mintz, together with Heather Mintz, the spouse of Mr. Mintz, now owns an aggregate of 1,532,015 Common Shares and Warrants exercisable for the purchase of 500,000 Common Shares, representing 15.67% of the issued and outstanding Common Shares on a non-diluted basis, and 19.77% on a partially-diluted basis (assuming exercise of Mr. Mintz's convertible securities). Mr. Mintz acquired these securities for investment purposes and may, from time to time, acquire additional securities of the Company or dispose of such securities as Mr. Mintz may deem appropriate. A copy of the early warning report being filed by Mr. Mintz may be obtained on the Company's SEDAR profile or by contacting the Company at 416-710-4906.

Pursuant to the Debt Settlement, Heather Mintz of Toronto, Ontario, acquired 688,010 Debt Shares. Ms. Mintz, together with Steven Mintz, the spouse of Ms. Mintz, now owns an aggregate of 1,532,015 Common Shares and Warrants exercisable for the purchase of 500,000 Common Shares, representing 15.67% of the issued and outstanding Common Shares on a non-diluted basis, and 19.77% on a partially-diluted basis (assuming exercise of Mr. Mintz's convertible securities). Ms. Mintz acquired these securities for investment purposes and may, from time to time, acquire additional securities of the Company or dispose of such securities as Ms. Mintz may deem appropriate. A copy of the early warning report being filed by Ms. Mintz may be obtained on the Company's SEDAR profile or by contacting the Company at 416-710-4906.

On behalf of the Board of Directors

NAVASOTA RESOURCES INC.

"Michael Lerner"

Michael Lerner
Chief Executive Officer and Director
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This news release contains forward-looking statements and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the Debt Settlement, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's

expectations are risks detailed from time to time in the filings made by the Company with securities regulators.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, the Company cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will only update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.

Schedule “B”

OWNERSHIP OF SECURITIES OF THE COMPANY PRE-DEBT SETTLEMENT AND POST- DEBT SETTLEMENT

Related Party	Relationship	Common Shares Held Prior to Offering	Percentage Held Prior to Offering (Basic Basis)	Percentage Held Prior to Offering (Partially-Diluted Basis)	Debt Shares Acquired	Amount of Debt	Common Shares Held After Offering	Percentage Held After Offering (Basic Basis)	Percentage Held After Offering (Partially-Diluted Basis)
Greg Wilson	10% Securityholder	500,000	12.30%	21.9%	820,826	\$41,041.30	1,320,826	13.51%	17.71%
Marc Lustig	10% Securityholder	500,000	12.30%	21.9%	820,826	\$41,041.30	1,320,826	13.51%	17.71%
Steven Mintz	10% Securityholder and the CFO	500,000	12.30%	21.9%	344,005	\$17,200.25	844,005	8.63%	13.08%
Heather Mintz	Spouse of Steven Mintz, a 10% Securityholder and the CFO	Nil	0%	0%	688,010	\$34,400.50	688,010	7.04%	7.04%