

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Blackhawk Resource Corp. ("Blackhawk" or the "Corporation")
650-816 7th Ave S.W.
Calgary, AB T2P 1A1

2. Date of Material Change

May 21, 2019 and May 28, 2019

3. News Release

A press release was disseminated on May 21, 2019 and May 28, 2019 via CNW.

4. Summary of Material Change

Blackhawk closed the acquisition of 1202465 B.C. Ltd. (the "Green Room"). Blackhawk issued 20,000,000 common shares of Blackhawk to the shareholders of the Green Room. The Green Room holds the rights to a lease for a retail cannabis location in Nelson, British Columbia, as well as a database of potential retail cannabis customers. Blackhawk closed a non-brokered financing for gross proceeds of \$998,250. Blackhawk issued 19,965,000 common shares at a price of \$0.05 per share.

5.1 Full Description of Material Change

On May 21, 2019, Blackhawk closed the acquisition of the Green Room and issued 20,000,000 common shares of Blackhawk to the shareholders of the Green Room. The Green Room holds the rights to a lease for a retail cannabis location in Nelson, British Columbia, as well as a database of potential retail cannabis customers.

On May 28, 2019 Blackhawk closed the non-brokered financing for gross proceeds of \$998,250. Blackhawk issued 19,965,000 common shares at a price of \$0.05 per share. Commissions totaling \$30,800 were paid to certain finders in relation to the financing. The proceeds of the financing are expected to be used for strategic growth initiatives, working capital and general corporate purposes.

All securities to be issued in connection with the financing are subject to a four-month-and-one-day statutory hold period in accordance with applicable securities laws.

In connection with the completion of the acquisition, Transcend Capital Inc. ("Transcend") has acquired ownership and control of 10,000,000 common shares of Blackhawk. In connection with the completion of the financing, Transcend acquired ownership and control of 3,000,000 common shares of Blackhawk, representing approximately 3.7 % of the outstanding common shares. Following acquisition of the shares, and when combined with its existing holdings in Blackhawk, Transcend now holds 14,261,000 common shares of Blackhawk, representing approximately 17.6% of the outstanding common shares.

With the closing of the financing, Blackhawk has 81,161,374 common shares outstanding.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

6. **Reliance on Section 7.1(2) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The name of the executive officer of Blackhawk who is knowledgeable about the material change and this report is:

Dave Antony
Chief Executive Officer
(403) 531-1710
dantony@blackhawkresources.ca

9. **Date of Report**

May 29, 2019