

Form 51-102F3

MATERIAL CHANGE REPORT

ITEM 1 **NAME AND ADDRESS OF COMPANY**

Arrowstar Resources Ltd.
(the "Company" or "Arrowstar")
507 – 475 Howe Street
Vancouver, BC V6C 2B3

ITEM 2 **DATE OF MATERIAL CHANGE**

January 9, 2013 and January 15, 2013

ITEM 3 **NEWS RELEASE**

Issued January 16, 2013 at Vancouver, BC

ITEM 4 **SUMMARY OF MATERIAL CHANGE**

1. Peter Arendt resigned as a director of the Company effective January 15, 2013.
2. Arrowstar has staked an additional 21 claims.

ITEM 5 **FULL DESCRIPTION OF MATERIAL CHANGE**

ITEM 5.1 **Full Description of Material Change**

Arrowstar has staked an additional 21 claims adjacent to and continuous with its Port Snettisham, Alaska iron ore claim block (the "Claims").

The Claims adjoin the present claim block to the east and south in an area potentially extending an area of magnetic highs indicated during the Company's geophysical surveys conducted this past summer. The new claim block expands the Company's project area by about 43%.

The Company is presently preparing an application for a drilling permit, with the new ground being acquired, the application can be completed and filed. Once the approval has been received the Company will commence a diamond drill program designed to facilitate a National Instrument 43-101 Report outlining potential quality and quantity of the iron resources on the Claims.

In 1970, Marcona Corporation of San Francisco announced a plan to spend \$130 million to place this property into production at the rate of 5 million tons per year. Unfortunately, the decline of iron prices caused the project to be delayed and was subsequently dropped.

The Company also announces the resignation of Peter Arendt as a director of the Company effective January 15, 2013. Peter is very busy spending 90% of his time managing a coal project in Indonesia. The Company wishes to thank him for his time and effort as a director of Arrowstar and extends its best wishes for his success in Indonesia.

ITEM 5.2 Disclosure For Restructuring Transactions

Not applicable.

ITEM 6 RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7 OMITTED INFORMATION

There are no significant facts required to be disclosed herein which has been omitted.

ITEM 8 EXECUTIVE OFFICER

Contact: Robert L. Card, President at (604) 687-7828

ITEM 9 DATE OF REPORT

January 17, 2013