

MATERIAL CHANGE REPORT

ITEM 1 **NAME AND ADDRESS OF COMPANY**

Arrowstar Resources Ltd.
(the "Company" or "Arrowstar")
Suite 880 - 800 West Pender Street
Vancouver, BC V6C 2V6

ITEM 2 **DATE OF MATERIAL CHANGE**

February 3, 2014

ITEM 3 **NEWS RELEASE**

Issued February 5, 2014 at Vancouver, BC

ITEM 4 **SUMMARY OF MATERIAL CHANGE**

Phillip Thomas, BSc, MBusM, MAIG, MAIMVA has been appointed as the President, CEO and Chairman of the Company. Mr. Thomas replaces Robert L. Card who will remain as Director of the Company.

Blaine Bailey has been appointed as Director of the Company, replacing Brian Ashton who has resigned as Director of the Company.

ITEM 5 **FULL DESCRIPTION OF MATERIAL CHANGE**

ITEM 5.1 **Full Description of Material Change**

Arrowstar advises that Robert L. Card has resigned as President, CEO and Chairman of the Board. The Directors have appointed Phillip Thomas, BSc, MBusM, MAIG, MAIMVA as the President, CEO and Chairman of the Board. Phil Thomas has the relevant skill, expertise and experience needed to provide the technical and leadership ability to lead the Company's team to production of the Alaska iron ore project. Phil has prior experience in taking iron projects in both Mexico and Chile to successful production. In the future the Company expects to add additional experienced personnel to its team. Robert Card remains a Director and a member of the team.

The Company also announces the resignation of Brian Ashton as a Director. After more than 40 years in the securities industry, Brian has decided to spend his summers fishing and his winters in California. We thank Brian for his contributions as Chairman of our audit committee and wish him well in his retirement. Blaine Y. Bailey, CGA, the Company's CFO has been appointed a Director to fill the vacancy. Blaine will continue as the Company's Chief Financial Officer.

The Company plans to continue exploration of its Port Snettisham, Alaska, magnetite iron project with a drilling program this summer. The purpose of the drill program is to determine the extent of the mineralization at depth, the mineralogy and petrology, the contact rock and the magnitude of the mineralization. With this data, a NI 43-101 Report

with indicated and inferred resource statement will be prepared to report on the drilling results and the extent of the mineralization. The drilling program is budgeted at \$1.2 million.

The Snettisham Iron Ore project was historically explored by the Bureau of Mines in 1955 and by Marcona Corporation in 1969. Marcona conducted sufficient drilling to complete a feasibility study on the deposit and announced plans to put the property into production in partnership with Marubeni of Japan. The decline of iron ore prices in the early 1970's caused the project to be delayed and eventually abandoned. Arrowstar believes the deposit remains extremely well located and of large size to make it economic in today's iron ore market. The property is also located on tidewater on the Pacific Ocean and would serve the Asian Iron Ore Trade. The property will be suitable for direct loading of sea vessels from the property, therefore requiring no roads or rail lines to be built. The Juneau Hydro Electric Power line is located within 2 miles of the property.

Phillip Thomas, BSc, MBusM, MAIG, MAIMVA, a Qualified Person under NI 43-101, has reviewed the content of this release.

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: Phillip Thomas, President & CEO at (604) 687-7828

ITEM 9 **DATE OF REPORT**

April 14 2014