

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

ITEM 1 NAME AND ADDRESS OF COMPANY

Arrowstar Resources Ltd.
(the "Company" or "Arrowstar")
Suite 2300 - 1177 West Hastings Street
Vancouver, BC V6E 2K3

ITEM 2 DATE OF MATERIAL CHANGE

March 29, 2016

ITEM 3 NEWS RELEASE

Issued April 19, 2016 at Vancouver, BC

ITEM 4 SUMMARY OF MATERIAL CHANGE

The Company has entered into a Part and Parcel Private Placement, Debt Settlement and Assignment Agreement to acquire the Tin Cup and FM concessions, located 26 miles northwest of Kingman via Hwy 68 in Mohave County, Arizona.

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

ITEM 5.1 Full Description of Material Change

The material change fully described in Item 4 is announced in the Company's News Release of April 19, 2016 attached hereto and as filed on SEDAR.

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 19, 2016



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ARROWSTAR ANNOUNCES OPTION ON ARIZONA GOLD PROPERTY & PRIVATE PLACEMENT

Vancouver, B.C. – April 19, 2016 – Phillip Thomas, President of Arrowstar Resources Ltd (“Arrowstar” or the “Company”) (TSX.V: AWS) is pleased to announce that the Company has entered into a Part and Parcel Private Placement, Debt Settlement and Assignment Agreement (the “Transaction”) to acquire the Tin Cup and FM (“Secret Pass”) concessions (the “Project”) which are located 26 miles northwest of Kingman via Hwy 68 in Mohave County, Arizona. The properties consist of State Prospecting Permits and Bureau of Land Management lode mining claims of approximately 2,204 acres. The claim area has numerous historical gold workings along with several untested drill targets from past exploration.

The property has had historical production which ended during the Second World War. From 1980 to 2013, three companies completed mapping, drilling, surface and drill-core geochemistry, geophysics, resource modelling, metallurgical and beneficiation testing. Data compilation of all historical data is now underway.

The Company is currently preparing a NI 43-101 Technical Report which will be announced and filed on SEDAR.

Phil Thomas, Arrowstar’s President and Chief Geologist states, “***We are very pleased to have the opportunity to acquire the Secret Pass concessions. We believe that the cost today to complete the historical exploration work would be multiple millions of dollars. Our first major task is to reconcile and build a relational database from the extensive data available, and if QA/QC of the data has been rigorous, this gold project is well advanced to potentially be fast tracked to production.***”

Tosca Mining Corporation (“Tosca”) reported in a news release on January 13, 2011 that the Tin Cup targets were collared along a 600’ (182 m) long segment of the mineralized zone and tested the zone to maximum vertical depths of 500 feet (152 m). Based on the historical drilling, the Tin Cup zone appears to plunge shallowly to the northwest along the Frisco fault structure. Neither the down plunge nor the depth extension of this zone has been fully tested. Within this densely drilled portion of Tin Cup, multiple intercepts in excess of 0.1 oz/ton Au (3.4 g/t Au) were intercepted including the following intervals:

- **TC-88-10 intersected 32.0 meters of 17.3 g/t Au**
(true width of 21.3 m from available cross sections)
- **TC 88-24 intersected 18.3 meters of 8.81 g/t Au**
- **TC-88-8 intersected 9.14 meters of 11.14 g/t Au**
- **TC-88-28 intersected 4.57 meters grading 14.33 g/t Au**
- **TC-88-20 intersected 4.57 meters of 16.42 g/t Au**

Note Although the Company believes that the work was completed by competent persons to the standards of the day, the Company cautions the reader that the drill results are historical in nature and have yet to be verified by the Company's "Qualified Person" under National Instrument 43-101 ("NI 43-101").*

FM Zone

The FM deposit currently appears to be open at depth and along strike to the north-west as observed by Phil Thomas, the Company's Qualified Person, during a site visit in 2015.

Metallurgy is conventional and straight forward with past trial recoveries cited at 90% from the Project. There is little pyrite present or silica to complicate the extraction process. The metallurgy was conducted by Mountain States Research and Development in Tucson Arizona.

Assignment Agreement

Performance Acquisitions LLC ("Performance") entered into an option agreement, the "Tin Cup Option Agreement" with NJB Mining Inc. ("NJB") pursuant to which Performance has the option (the "Option") to acquire a one hundred percent (100%) right, title and interest in and to the Secret Pass Concessions situated in the State of Arizona, USA. Performance has assigned all of its rights and obligations (the "Assignment") in the Tin Cup Option Agreement to a wholly-owned USA subsidiary of Arrowstar. Arrowstar will pay consideration of five million common shares to Performance as detailed below.

In order to maintain the Tin Cup Option Agreement, the following payment and work commitments will be due to NJB.

- Issue to NJB 5% of any shares issued to Performance as a result of optioning the property to a third party.
- Payment of US\$150,000 on commencement of commercial production.
- Annual payment of all tenement and BLM filing fees.
- Phase 1 exploration expenditure of US\$200,000. The Company will vest a 25% interest in the property at the completion of Phase 1.
- Phase 2 exploration expenditure of US\$400,000, whereupon the Company will vest an additional 15% interest in the property for an aggregate interest of 40%. The Company has eighteen months from the date of this agreement, March 21, 2016, to complete Phase 1 and 2. The Company will forfeit its aggregate interest if the Company decides not to go into commercial production.
- If the Company intends to go into commercial production it will be responsible for all costs including drilling, resource estimation, preliminary economic assessment, prefeasibility study, bankable feasibility study and mine permitting. The Company will retain its 40% interest once commercial production commences.
- A royalty of 15% will be paid in favour of NJB on net profits until US\$6,000,000 has been paid. Once US\$6 million has been paid, the Company will have earned a 100% interest in the property subject to a reduced royalty of 5% for the balance of the mine life.
- The Company has the option to acquire the remaining 5% royalty, but the terms under which it can be purchased have not yet been agreed.

As consideration for the Assignment of the Option, the Company will issue an aggregate of 5,000,000 common shares of the Company to Performance as follows:

- 1,500,000 common shares upon receipt by the Company of TSX Venture Exchange ("TSX.V") approval on the Transaction.
- 1,000,000 common shares upon completion of Phase 1 exploration requirements.
- 1,000,000 common shares upon completion of Phase 2 exploration requirements.
- 1,500,000 within 14 days of the earlier of the 18-month anniversary of this agreement, March 29, 2016 or the approval from the Arizona Bureau of Land Management of the production plan to commence mining and production.

Note* The Assignment Agreement still remains subject to Regulatory approval.

Private Placement

The Company proposes to undertake a private placement of up to 6,900,000 Units (the "Units") at a price of CDN\$0.05 per Unit for gross proceeds of up to CDN\$345,000. Each Unit will consist of one common share and one transferrable share purchase warrant (a "Warrant"), with each Warrant entitling the holder to purchase an additional common share (a "Warrant Share") for a period of two (2) years at a price of CDN\$0.085 per Warrant Share in the first year of exercise and CDN\$0.12 per Warrant Share in the second year of exercise. The proceeds of the private placement will be used for the Phase 1 Tin Cup exploration program and general working capital.

The securities issued pursuant to the private placement and the debt settlement will be subject to a hold period of four months and one day from the date of issuance of the securities. The Company may pay finders' fees in connection with the private placement, subject to compliance with the policies of the TSX Venture Exchange ("TSX.V"). Completion of the private placement, debt settlement and the payment of any finders' fees remain subject to the receipt of all necessary regulatory approvals, including the approval of the TSX.V.

Shares for Debt

Additionally, subject to regulatory approval, the Company proposes to settle CDN\$750,390 due to creditors by the way of the issuance of an aggregate of 4,060,000 shares at a deemed price of CDN\$0.05 per share, paying CDN\$4,500 in cash and recording a gain on settlement of accounts payable of \$542,890.

Qualified Person

Phillip Thomas, BSc Geol, MBusM, MAIG, MCIM MAIMVA, CMV, President Exploration, a Qualified Person as defined under NI 43-101 regulations, has reviewed the technical information that forms the basis for portions of this news release, and has approved the disclosure herein. Mr. Thomas is not independent of the Company as he is an officer and a shareholder.

On Behalf of the Board of Directors,
Arrowstar Resources Ltd.

"Phillip Thomas"

President

Investor Contact:

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements: This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning AWS's planned exploration programs in North America and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may," "potential," "should," and similar expressions are forward-looking statements. Although AWS believes that its expectations reflected in these forward looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Important factors that could cause actual results to differ from these forward-looking statements are disclosed under the heading "Risk Factors" and elsewhere in the corporation's periodic filings with Canadian securities regulators.