

**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**

May 16, 2016

**ITEM 3      NEWS RELEASE**

Issued May 16, 2016 at Vancouver, BC

**ITEM 4      SUMMARY OF MATERIAL CHANGE**

Arrowstar has settled its debt of \$750,390 with existing creditors.

**ITEM 5      FULL DESCRIPTION OF MATERIAL CHANGE**

**ITEM 5.1    Full Description of Material Change**

Arrowstar closed the settlement of \$750,390 in debt due to creditors. The Company issued 4,060,000 common shares at a deemed price of \$0.05 to settle \$698,245 in debt and paid \$4,500 in cash to settle \$51,145 in debt. The common shares issued have a hold period expiring on September 16, 2016.

**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**

May 16, 2016