

## MATERIAL CHANGE REPORT

### PURSUANT TO SECTION 7.1 OF NATIONAL INSTRUMENT 51-102 RESPECTING CONTINUOUS DISCLOSURE OBLIGATIONS

ITEM 1: **Name and Address of Company**

Axe Exploration Inc. (“Axe” or the “Corporation”)  
255, Curé-Labelle Blvd, suite 204  
Laval, Québec  
H7L 2Z9

ITEM 2: **Date of Material Changes**

October 30, 2018.

ITEM 3: **News Release**

Press release was issued in English and French by Axe on October 30, 2018. Copies of each version are attached hereto.

ITEM 4: **Summary of Material Changes**

The Corporation announces that it will make a rights offering to each of its holders of common shares registered as at October 25, 2018 at closing of the registry, on the basis of one (1) Right for each Common Share held by the Shareholders of the Corporation, 1 to 1.

The Corporation also announces having agreed to a debt settlement with Ressources Lutsvisky Inc.

ITEM 5: **Full Description of Material Changes**

*Rights Offering*

The Corporation announces that it will make a rights offering (the "Rights") to each of its holders of common shares (the "Common Shares") registered as at October 25, 2018 at closing of the registry ("Closing Date"), on the basis of one (1) Right for each Common Share held by the Shareholders of the Corporation, 1 to 1 (the "Rights Offering"). Each Right entitles the holder thereof to subscribe to one (1) Common Share upon payment of the subscription price of \$ 0.04 per Common Share (\$ 0.64 per consolidated Common Share upon the closing of the transaction and the consolidation announced July 24, 2018). The Rights will be transferable but will not trade on any stock exchange.

The Rights Offering and the exercise period of the Rights by the Shareholders will begin on November 28, 2018 and end on February 26, 2019, 17:00 p.m. at which time the Rights will expire (the "Expiry Time"). Rights that have not been exercised before the Expiry Time will be null and void. Shareholders who exercise all of their Rights will not be entitled to subscribe for additional Common Shares that have not been subscribed by other holders of Rights prior to the Expiry Time.

All details of the Rights Offering will be set out in the Rights Offering Circular and the Rights Offering Notice which will be filed under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Rights Offering Notice and its related Rights certificate will be mailed to each registered Shareholder that is a resident of Canada on the Closing Date. Registered Shareholders wishing to exercise their Rights will be required to complete and send the Rights Certificate, together with the

applicable payment, to Computershare Investors Services Inc. who will act as Rights issue agent for the Offering of Rights, by the Expiry Time, at the very latest.

Shareholders who hold their Common Shares through a broker, portfolio advisor, bank or trust company will receive relevant documentation and instructions from their intermediary. The Corporation will not issue Rights to Shareholders resident in any jurisdiction outside of Canada (the "Ineligible Holders") unless such Shareholder can demonstrate that it has a prospectus exemption under the applicable legislation in the Shareholder's jurisdiction of residence.

The Corporation has not retained the services of any party to solicit subscriptions for its Common Shares under the Rights Offering.

The Corporation currently has 62,932,645 Common Shares issued and outstanding. If all Rights issued under the Rights Offering are validly exercised, the gross proceeds of the Rights Offering will be \$ 2,517,306. The Corporation intends to use the net proceeds of the Rights Offering for its working capital.

#### *Debt Settlement*

Under a management agreement and a consulting agreement entered into in October 2007 and January 2011 respectively among the Corporation and Ressources Lutsvisky Inc. ("Lutsvisky"), Lutsvisky is entitled to receive an amount of \$361,300 in the event of their unilateral termination by the Corporation. Lutsvisky is a privately held corporation wholly owned by David McDonald who is also President, Chief Executive Officer and a director of the Corporation. The Corporation announces having agreed that it will pay to Lutsvisky (after a reduction and renunciation of \$86,300) an aggregate amount of \$ 275,000 in payment of debts payable in Common Shares at a deemed price of \$ 0.05 per Common Share. A number of 5,500,000 Common Shares is therefore linked to this debt settlement. Common Shares will be subject to a statutory four-month hold period.

ITEM 6: **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

ITEM 7: **Omitted Information**

Not applicable.

ITEM 8 **Executive Officer**

For further information, please contact Ms. Johanne Moreau, Chief Financial Officer, at (450) 622-5785.

ITEM 9: **Date of Report**

November 5<sup>th</sup>, 2018.



## **PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

**SYMBOL: AXQ**

**OCTOBER 30, 2018**

### **AXE ANNOUNCES A RIGHTS OFFERING**

THIS PRESS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT AUTHORIZED FOR DISTRIBUTION IN THE UNITED STATES BY PRESS AGENCIES OR FOR DISTRIBUTION IN THE UNITED STATES.

LAVAL, QUÉBEC – AXE EXPLORATION INC. (the "Corporation") announces that it will make a rights offering (the "Rights") to each of its holders of common shares (the "Common Shares") registered as at October 25, 2018 at closing of the registry ("Closing Date"), on the basis of one (1) Right for each Common Share held by the Shareholders of the Corporation, 1 to 1 (the "Rights Offering"). Each Right entitles the holder thereof to subscribe to one (1) Common Share upon payment of the subscription price of \$ 0.04 per Common Share (\$ 0.64 per consolidated Common Share upon the closing of the transaction and the consolidation announced July 24, 2018). The Rights will be transferable but will not trade on any stock exchange.

The Rights Offering and the exercise period of the Rights by the Shareholders will begin on November 28, 2018 and end on February 26, 2019, 17:00 p.m. at which time the Rights will expire (the "Expiry Time"). Rights that have not been exercised before the Expiry Time will be null and void. Shareholders who exercise all of their Rights will not be entitled to subscribe for additional Common Shares that have not been subscribed by other holders of Rights prior to the Expiry Time.

All details of the Rights Offering will be set out in the Rights Offering Circular and the Rights Offering Notice which will be filed under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Rights Offering Notice and its related Rights certificate will be mailed to each registered Shareholder that is a resident of Canada on the Closing Date. Registered Shareholders wishing to exercise their Rights will be required to complete and send the Rights Certificate, together with the applicable payment, to Computershare Investors Services Inc. who will act as Rights issue agent for the Offering of Rights, by the Expiry Time, at the very latest. Shareholders who hold their Common Shares through a broker, portfolio advisor, bank or trust company will receive relevant documentation and instructions from their intermediary. The Corporation will not issue Rights to Shareholders resident in any jurisdiction outside of Canada (the "Ineligible Holders") unless such Shareholder can demonstrate that it has a prospectus exemption under the applicable legislation in the Shareholder's jurisdiction of residence.

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*Neither the CSE, the TSX Venture Exchange/NEX nor their regulation services providers (as that term is defined in their respective policies) accepts responsibility for the adequacy or accuracy of this news release.*

*This news release may contain forward-looking information. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in these statements.*

### **For further information, please contact:**

For Axe Exploration Inc. :

Johanne Moreau, CFO  
Telephone: (450) 622-5785



## COMMUNIQUÉ DE PRESSE

**POUR DIFFUSION IMMÉDIATE**

**SYMBOLE BOURSIER : AXQ**

**LE 30 OCTOBRE 2018**

### **AXE ANNONCE UN PLACEMENT DE DROITS**

CE COMMUNIQUÉ DE PRESSE EST DESTINÉ POUR DISTRIBUTION AU CANADA SEULEMENT ET N'EST PAS AUTORISÉ POUR DISTRIBUTION AUX ÉTATS-UNIS PAR DES AGENCES DE PRESSE OU POUR DIFFUSION AUX ÉTATS-UNIS.

LAVAL, QUÉBEC – AXE EXPLORATION INC. (la « Société ») annonce qu'elle procédera à un placement de droits (les « Droits ») auprès de chacun des porteurs de ses actions ordinaires (les « Actions ordinaires ») inscrits le 25 octobre 2018 pour la fermeture des registres (la « Date de clôture »), à raison d'un (1) Droit pour chaque Action ordinaire détenue par les Actionnaires de la Société, 1 pour 1 (le « Placement de Droits »). Chaque Droit confèrera à son porteur le droit de souscrire à une (1) Action ordinaire sur paiement du prix de souscription de 0,04\$ par Action ordinaire (0,64\$ par Action ordinaire consolidée advenant la clôture de la transaction et la consolidation annoncée le 24 juillet 2018). Les Droits seront transférables mais ne se négocieront pas en bourse.

Le Placement de Droits et la période d'exercice des Droits par les Actionnaires débiteront à partir du 28 novembre 2018 jusqu'au 26 février 2019, 17h, après quoi les Droits expireront (l'« Heure d'expiration »). Les Droits qui n'auront pas été exercés avant l'Heure d'expiration seront nuls et sans valeur. Les Actionnaires qui exercent la totalité de leurs Droits n'auront pas le droit de souscrire à des Actions ordinaires additionnelles qui n'ont pas été souscrites par d'autres porteurs de Droits avant l'Heure d'expiration.

Tous les détails du Placement de Droits seront présentés dans la Circulaire de Placement de Droits et l'Avis de Placement de Droits qui seront déposés sous le profil de la Société sur SEDAR au [www.sedar.com](http://www.sedar.com). L'Avis de Placement de Droits et le certificat de Droits qui l'accompagne seront postés à chaque Actionnaire inscrit qui réside au Canada à la Date de clôture. Les Actionnaires inscrits qui désireront exercer leurs Droits devront remplir et transmettre le certificat de Droits, accompagné du paiement applicable, à Services aux investisseurs Computershare Inc. qui agira à titre d'agent d'émission de Droits pour le Placement de Droits, au plus tard à l'Heure d'expiration. Les Actionnaires qui détiennent leurs Actions ordinaires par l'intermédiaire d'un courtier ou conseiller en valeurs, d'une banque ou d'une société de fiducie recevront la documentation et les directives pertinentes de leur intermédiaire. La Société n'émettra pas de Droits aux Actionnaires qui résident dans un territoire à l'extérieur du Canada (les « porteurs inadmissibles »), à moins que

cet Actionnaire puisse démontrer qu'il bénéficie d'une dispense de prospectus en vertu de la législation applicable dans sa juridiction de résidence.

La Société n'a pas retenu les services d'une partie pour solliciter des souscriptions pour ses Actions ordinaires dans le cadre du Placement de Droits.

La Société compte présentement 62 932 645 Actions ordinaires émises et en circulation. Si tous les droits émis aux termes du Placement de Droits sont valablement exercés, le produit brut tiré du placement de droits s'élèvera à 2 517 306 \$. La Société entend utiliser le produit net du Placement de Droits pour son fonds de roulement.

### **Règlement de dettes**

En vertu d'un contrat de gestion et d'un contrat de consultation intervenus respectivement en octobre 2007 et janvier 2011 entre la Société et Ressources Lutsvisky Inc. (« Lutsvisky »), Lutsvisky a droit de recevoir une somme de 361 300 \$ advenant la résiliation unilatérale de ceux-ci par la Société. Lutsvisky est une société privée détenue en propriété exclusive par David Mc Donald qui est également président, chef de la direction et administrateur de la Société. La Société annonce avoir convenu qu'elle paiera à Lutsvisky (après une réduction et une renonciation de 86 300 \$) une somme globale de 275 000\$ en paiement de dettes payables en Actions ordinaires à un prix présumé de 0,05 \$ par Action ordinaire. Un nombre de 5 500 000 d'Actions ordinaires est donc lié à ce règlement de dettes. Les Actions ordinaires seront assujetties à un délai de conservation réglementaire de quatre mois.

*La CSE, la Bourse de croissance TSX/NEX et leurs fournisseurs de services de réglementation respectifs (au sens attribué à ce terme dans leurs politiques respectives) n'assument aucune responsabilité quant à la pertinence ou à l'exactitude du présent communiqué.*

*Ce communiqué de presse peut contenir des renseignements prévisionnels. Nous ne pouvons garantir que les renseignements prévisionnels mentionnés s'avéreront exacts, puisqu'il pourrait y avoir un écart important entre les résultats réels ou les événements futurs et ceux qui sont mentionnés dans cet énoncé.*

### **Pour plus d'information, veuillez contacter :**

Pour AXE Exploration Inc. :

Johanne Moreau, CFO  
Téléphone : (450) 622-5785