

FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Royal Coal Corp. (the “**Company**”)
100 King Street West, Suite 5600
P.O. Box 270
Toronto, Ontario M5X 1C9

2. **Date of Material Change**

October 27, 2020

3. **News Release**

A press release disclosing the material change was released on October 27, 2020, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company announced that it filed articles of amendment to effect a consolidation (the “**Consolidation**”) of the Company’s issued and outstanding common shares (the “**Common Shares**”) on the basis of one (1) post-Consolidation Common Shares for 515.481342 pre-Consolidation Common Share.

5. **Full Description of Material Change**

The Company effected the Consolidation on October 27, 2020, resulting in its previously outstanding 256,740,671 Common Shares being consolidated into approximately 498,060 Common Shares. No fractional Common Shares will be issued pursuant to the Consolidation and any fractional Common Shares that would have otherwise been issued have been rounded down to the nearest whole number. The Consolidation was approved by the shareholders of the Company at the Company’s annual and special meeting held on October 22, 2020.

Letters of transmittal with respect to the Consolidation are being mailed to the Company’s registered shareholders. All registered shareholders will be required to send their share certificates representing pre-Consolidation Common Shares, along with a properly executed letter of transmittal, to the Company’s registrar and transfer agent, AST Trust Company (Canada), in accordance with the instructions provided in the letter of transmittal. Shareholders who hold their Common Shares through a broker, investment dealer, bank or trust company should contact that nominee or intermediary for assistance in depositing their Common Shares in connection with the Consolidation. A copy of the letter of transmittal will be posted on the Company’s profile at www.sedar.com.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis.

7. **Omitted Information**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer**

For further information, contact Elia Crespo, Director at (416) 867-9087 ext 2321.

9. **Date of Report**

This report is dated at Toronto, this 3rd day of November, 2020.

Cautionary Statement Regarding Forward-Looking Information

This material change report contains certain “forward-looking information” within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “would”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forwardlooking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company’s Management’s Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.