

**FORM 51-102F3**

**MATERIAL CHANGE REPORT  
UNDER NATIONAL INSTRUMENT 51-102**

1. **Name and Address of Company**

Telferscot Resources Inc.  
2702-401 Bay Street  
P.O. Box 136  
Toronto ON M5H 2Y4

2. **Date of Material Change**

January 28, 2016

3. **News Release**

A news release with respect to the material change referred to in this report was disseminated through Marketwired on January 28, 2016 and filed on the system for electronic document analysis and retrieval (SEDAR).

4. **Summary of Material Change**

Termination of proposed Resideo Properties Inc. acquisition

5. **Full Description of Material Change**

TORONTO, Ontario, January 28, 2016 – Telferscot Resources Inc. (CSE:TFS) (“**Telferscot**” or the “Company”) has set the date of its Annual General and Special Meeting of shareholders to be held at the Company’s offices on February 25, 2016 at 10:00 am EST. In addition to the normal course business issues to be addressed, shareholders will be asked to approve the following:

- Sale of the Company’s remaining interest in Kolwezi Copper Corp. (“KCC”) as previously announced on November 11, 2015 and January 11, 2016, for US\$677,600;
- A reduction in the stated capital of the Company to facilitate a distribution of the net proceeds of the KCC sale to shareholders as a return of capital by way of cash or new issue of shares in the capital of the Company, at the election of each shareholder; and
- Authorization for the Directors to complete a consolidation of the Company’s common shares at a ratio of one new common share for up to twenty-five current common shares.

The Company anticipates net proceeds of the sale of KCC to be approximately \$900,000 or \$0.015 per current common share.

## **Proposed Resideo Properties Acquisition**

The proposed Resideo Properties Inc. (“Resideo”) acquisition, as announced on May 13<sup>th</sup>, 2015, has been terminated following notice from Resideo that as a result of USD exchange rate fluctuations and general adverse capital markets conditions it is unable to complete the transaction as contemplated. While disappointing, the board is reviewing a possible restructuring of the Detroit real estate opportunity and will entertain other potential transactions as, if and when they are presented.

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

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Executive Officer**

For further information, contact James Garcelon, Director and CEO of Telferscot Resources Inc at 416-642-1807.

9. **Date of Report**

February 1, 2016