

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

IM Exploration Inc. (the “Company”)
181 Bay Street
Brookfield Place, Suite 4400
Toronto, ON M5J 2T3

Item 2. Date of Material Change

August 24, 2020

Item 3. News Release

A news release dated August 24, 2020 was disseminated via Stockwatch and Market News and filed on SEDAR on August 24, 2020.

Item 4. Summary of Material Change

The Company completed its non-brokered private placement of 6,200,000 common shares (the “**Shares**”) at \$0.05 per Share for gross proceeds of \$310,000 (the “**Offering**”).

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company completed its non-brokered private placement of 6,200,000 Shares at \$0.05 per Share for gross proceeds of \$310,000.

All securities issued in connection with the Offering are subject to a statutory hold period expiring on December 25, 2020 in accordance with applicable securities legislation. The Company intends to use the gross proceeds from the Offering to advance exploration at Mulloy, to evaluate other properties and general working capital purposes.

Two insiders of the Company participated in the Offering and purchased an aggregate of 1,000,000 Shares. The issuance to the insiders is exempt from the formal valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions as the fair market value of the Shares issued to or the consideration paid by such insider did not exceed 25% of the Company’s market capitalization.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7. Omitted Information

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted at:

Joel Freudman, President and CEO
Telephone: (647) 880-6414

Item 9. Date of Report

August 28, 2020

Caution Regarding Forward-Looking Information

This material change report contains statements and information that, to the extent they are not historical fact, constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information is based on the reasonable assumptions and estimates of management, made based on experience and management's perception of current conditions and expected developments, all of which management believes to be reasonable in the circumstances at the date hereof, but which may ultimately prove to be incorrect. Forward-looking information herein includes statements relating to the terms and closing of the Offering and use of proceeds.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from the outcomes expressed or implied by the forward-looking information herein, including, but not limited to, risks to completion of the Offering and general risks associated with mineral exploration activities. Accordingly, readers should not place undue reliance on any such forward-looking information. The Company does not undertake any obligation to update any forward-looking information herein to reflect new developments after the date hereof, except as required by applicable securities legislation.