

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Temas Resources Corp.
890 - 1140 West Pender Street
Vancouver, British Columbia V6E 4G1
(the “**Company**” or “**Temas**”)

Item 2 Date of Material Change

June 18, 2020

Item 3 News Release

The news release was disseminated on June 18, 2020 through Business Wire and filed on SEDAR.

Item 4 Summary of Material Change

The Company announced it had executed a definitive agreement with CloudBreak Discovery Corp. (“**Cloudbreak**”) and Cronin Services Ltd. (Cronin, and together with Cloudbreak, the “**Vendors**”) to acquire a 100% interest in the La Blache property (the “**La Blache Property**”) in Cote-Nord, Quebec in consideration for 20,000,000 common shares of the Company and a cash payment of \$60,000.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced it had executed a definitive agreement with the Vendors to acquire a 100% interest in the La Blache Property (the “**Transaction**”).

Terms of the Transaction

Pursuant to the Transaction, Temas will acquire a 100% interest in the La Blache Property by issuing an aggregate of 20,000,000 common shares (the “**Payment Shares**”), paying \$60,000 to the Vendors and delivering a net smelter returns royalty (the “**NSR Royalty**”) of 2%.Temas will have the right to repurchase one-half of the NSR Royalty (being 1%) for \$2,500,000 at any time.

The Payment Shares will be subject to pooling restrictions as follows: 25% will be released from pool on the date that is six months after the closing of the Transaction, and 75% of the Payment Shares will be released from pool on the date that is 12 months after such date.

The Transaction is subject to standard closing conditions, including receipt of Canadian Securities Exchange approval and Temas shareholder approval as described below.

Disclosure Required by MI 61-101

The Transaction constitutes a “related party transaction” as defined within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”) as Kyler Hardy, the Chief Executive Officer and a director of the Company, is also a director of Cloudbreak and director, officer and controlling shareholder of Cronin.

Further details with respect to the Transaction will be included in the information circular to be mailed to Teras shareholders in connection with the annual and special meeting to be held August 25, 2020.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

(a) a description of the transaction and its material terms:

See Item 5.1 above for a description of the Transaction.

(b) the purpose and business reasons for the transaction:

The Transaction is being carried out to further the Company’s objective of assembling advanced portfolio of iron, titanium and vanadium properties. See Item 5 above for a description of the Transaction.

(c) the anticipated effect of the transaction on the issuer’s business and affairs:

Following completion of the Transaction, the La Blache Property will be owned by the Company. See Item 5.1 above for a description of the Transaction. *(d) a description of:*

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Kyler Hardy, the Chief Executive Officer and a director of the Company, is also a director of Cloudbreak and director, officer and controlling shareholder of Cronin.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

Following closing of the transaction, Mr. Hardy will beneficially own and have control and direction over 11,570,000 common shares of the Company, representing approximately 20.55% of the then issued and outstanding common shares of the Company.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a

discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

The Transaction was approved by resolution of the board of directors of the Company dated June 17, 2020, from which Mr. Hardy abstained in accordance with the *Business Corporations Act* (British Columbia). A special committee was not established in connection with the Transaction and no materially contrary view was expressed or made by any director who voted on the resolution.

(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:

Not applicable. It is expected that the Transaction will be exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's shares are not listed on a specified market

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:

(i) that has been made in the 24 months before the date of the material change report:

Not applicable.

(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:

Not applicable.

(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:

See Item 5.1 above for a description of the Transaction. Further details with respect to the Transaction will be included in the information circular to be mailed to Temas shareholders in connection with the annual and special meeting to be held on or about August 25, 2020.

(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:

The Transaction is expected to be exempt from the valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contained in Sections 5.5(b) as the Company's shares are not listed on a specified market.

Temas intends to obtain minority shareholder approval of the Transaction in accordance with the requirements of MI 61-101.

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

Not applicable.

Item 8 Executive Officer

For further information, contact:

David Robinson
Chief Financial Officer
Telephone: 604-428-9480

Item 9 Date of Report

June 26, 2020