MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Phoenix Metals Corporation
700 – 1199 West Hastings Street
Vancouver, BC V6E 3T5

Item 2 Date of Material Change

July 24, 2014

Item 3 News Release

The news release July 24, 2014 was disseminated through Canada Stockwatch and Market News under section 7.1 of National Instrument 51-102.

Item 4 Summary of Material Change

Please refer to attached news release.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please refer to attached news release.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Brian Leeners, CEO & Director

Item 9 Date of Report

July 24, 2014

July 24, 2014 **News Release** **TSX-V Symbol: PHC**

PHOENIX METALS ACQUIRES SILICA PROJECT WILL TEST THE SILICA FOR SUITABILITY AS A RAW MATERIAL FOR PRODUCTION OF HYDRAULIC FRACTURING PROPPANTS

Vancouver, B.C.: Phoenix Metals Corporation ("**Phoenix**" or the "**Company**") (TSX-V Symbol: PHC) is pleased to announce that it has acquired a 100% interest in the 7 claim, 400 hectare Chambord Hydrothermal Quartz property (the "Property"). The Property has excellent infrastructure and is less than 10 kilometres from Chambord, Quebec (the intersections of highways 169, 155 and 170 on the south shore of Lac St-Jean) and within 2 kilometres of the Chambord-Montreal rail corridor (Lac St-Jean/Joiliette lines) as well, high tension power lines cross the property. This is the second asset for Phoenix in its strategic plan to acquire and development new raw materials for the production of hydraulic fracturing proppants.

Proppants and the Company's Strategy

There are several classes of Oil and Gas Proppants:

- Low-strength: Sand and Resin-coated Sand
- Medium-strength: Ceramics
- High-Strength: Advanced Materials

The Company's focus is on raw materials in the Medium and High-strength categories. The Company is currently working to acquire assets to serve the developed North American market and further assets that are proximal to large underdeveloped oil and gas resources that require hydraulic fracking proppants. The priority is on raw materials assets with known quantity and strong logistics and/or infrastructure.

Proppants have been critical to the major expansion of oil and gas production in North America. Ceramic proppants according to Accenture Research, represent 10% of the unit volume and 30% of expenditures in the US proppant market. Comprised of calcined bauxite, calcined kaolin or a mixture of both, ceramic proppants are often used in drilling deeper wells where the proppants can be subjected to higher pressure levels than in shallow wells. The majority of the North American ceramic proppants market is currently being served by products imported from China.

Market research from Freedonia Group, concluded that North American proppant demand has risen from $250 million in 2002 to nearly $5 billion in 2012 and overall demand is projected to reach over 100 billion pounds valued at $9.4 billion in 2017.

Financing:

Phoenix will continue the Company's non-brokered private placement of up to 10.0 million units at a price of five cents per unit ($0.05) to raise proceeds of up to $500,000. Each unit will consist of one common share and one common share purchase warrant (the "Unit Warrants") with each Unit Warrant entitling the holder to acquire one additional common share at a price of 10 cents ($0.10) per share for one year from closing. The Unit Warrants are subject to the right of the Company to accelerate the exercise period for the Unit Warrants if the common shares of the Company trade above 20 cents ($0.20) for a period of 10 consecutive trading days. The proceeds of the private placement will be allocated toward general working capital purposes.

The Company may pay finders' fees on the private placement proceeds to certain parties in accordance with the policies of and subject to the approval of the TSX Venture Exchange.

On behalf of the Board of Directors of
Phoenix Metals Corporation

"Brian Leeners"

Brian Leeners, CEO & Director
For further information please contact the Company
Tel: 604.568.1823