

MATERIAL CHANGE REPORT

1. Name and Address of Reporting Issuer:

Champion Bear Resources Ltd. (the "**Corporation**" or "**Champion Bear**")
2005 – 9th Street S.W.
Calgary, Alberta T2T 3C4

2. Date of Material Change:

April 21, 2020

3. News Release

On April 22, 2020, at Calgary, Alberta, a news release was issued and disseminated through the facilities of a recognized newswire service.

4. Summary of Material Change:

On April 21, 2020, the Corporation settled and extinguished \$528,445.97 of Champion Bear's outstanding debt (the "**Debt**") through the issuance of common shares of the Company ("**Common Shares**").

5. Full Description of Material Change:

5.1 Full Description of Material Change

On April 21, 2020, the Corporation settled and extinguished \$528,445.97 of Debt through the issuance of Common Shares.

In accordance with settlement of Debt (the "**Debt Settlement**"), the Company issued 3,522,972 Common Shares at a deemed price of \$0.15 per Common Share to eight creditors of the Company. Included among those exchanging their debt for Common Shares is Champion Bear's driller, Distinctive Drilling, and Jessica Borysenko, P. Geol., who has provided services in relation to the company's Eagle Rock property. The Company chose to settle and extinguish the Debt through the issuance of Common Shares to preserve cash and improve the Company's balance sheet. The Debt Settlement was approved by the TSX Venture Exchange on April 13, 2020. The Common Shares issued pursuant to the Debt Settlement are subject to a four month hold period, which will expire on the date that is four months and one day from the date of issuance.

The Debt Settlement involved the issuance of an aggregate of 2,206,232 Common Shares to certain directors and officer and/or companies controlled and directed by such directors and officers (collectively, the "**Related Parties**"). In particular, an aggregate of 1,000,000 Common Shares have been issued to the Company's Chairman and President representing \$150,000 in partial extinguishment of the aggregate amount of \$1,266,069.66 owing to him personally; an aggregate of 200,000 Shares have been issued to the Company's Chief Financial Officer representing \$30,000 in extinguishment of the debt owing to him personally and to a holding company he controls and directs for services rendered in his capacity as Chief Financial Officer; and an aggregate of 116,740 Shares have been issued to two directors representing an aggregate of \$17,511.07 in extinguishment of the debt owing to them and/or holding companies they control for consulting services rendered.

The Debt Settlement involving the Related Parties constitutes a "related party transaction" under Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("**MI 61-101**"). The Company has relied on the exemptions from the valuation and the minority approval requirements of MI 61-101 provided for in subsections 5.5(a) and 5.7(a) of MI 61-101, respectively, as the fair market value of the subject of, and the consideration paid in the Debt Settlement, in relation to the

interested parties, does not represent more than 25% of the Company's market capitalization, as determined in accordance with MI 61-101. The participation by the Related Parties in the Debt Settlement has been approved by directors of the Company who are independent in connection with such transactions.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:

This material change report includes certain "forward-looking statements" under applicable Canadian securities legislation including statements relating to the benefits to be derived from the Debt Settlement. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. All statements that address future plans, activities, events, or developments that the Company believes, expects or anticipates will or may occur are forward-looking information, including statements regarding the potential development of resources and drilling plans which may or may not occur. Forward-looking statements and information contained herein are based on certain factors and assumptions regarding, among other things, the ability to complete the shares for debt transactions, the market price of the Company's securities, metal prices, exchange rates, taxation, the estimation, timing and amount of future exploration and development, capital and operating costs, the availability of financing, the receipt of regulatory approvals including approval of the Application, environmental risks, title disputes, failure of plant, equipment or processes to operate as anticipated, accidents, labour disputes, claims and limitations on insurance coverage and other risks of the mining industry, changes in national and local government regulation of mining operations, and regulations and other matters. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This material change report shall not constitute an offer to sell or the solicitation of an offer to buy any securities of Champion Bear in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities to be offered have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. Person absent registration or an applicable exemption from the registration requirements of such Act or laws.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The name and business numbers of the executive officer of Champion Bear who is knowledgeable of the material change and this report is:

Richard D. Kantor
Chairman and President
(403) 229-9522

9. Date of Report:

April 22, 2020