

51-102F3 MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Pacific Ridge Exploration Ltd. (the "Company")
Suite 1100 - 1111 Melville Street
Vancouver, BC V6E 3V6

Item 2 Date of Material Change

January 18, 2017

Item 3 News Release

A news release was issued in Vancouver, British Columbia on January 18, 2017 and distributed through Marketwired.

Item 4 Summary of Material Change

The Company closed the option of its Fyre Lake property to BMC Minerals (No. 1) Ltd.

Item 5 Full Description of Material Change

See news release attached.

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

This report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

The following officer of the Company is knowledgeable about the material change disclosed in this report: Gerald Carlson, President, Tel: (604) 687-4951

Item 9 Date of Report

January 23, 2017

PACIFIC RIDGE CLOSES FYRE LAKE OPTION TO BMC MINERALS

Vancouver, B.C. – January 18, 2017 – Pacific Ridge Exploration Ltd. (TSX Venture: PEX) ("Pacific Ridge" or the "Company") reports that it has closed the Fyre Lake option to BMC Minerals (No. 1) Ltd. ("BMC") announced December 28, 2016. In addition to the initial \$25,000 deposit, BMC has now paid the remaining \$50,000 signing payment and the initial \$300,000 option payment. Total consideration payable to the Company to exercise the option is \$2,575,000 in the case of the one year option or \$3,095,000 in the case of the two year option (see below). In addition, a bonus payment of \$1,000,000 is payable to the Company if the option is exercised and if and when BMC's Kudz Ze Kayah property has reached commercial production for one year.

BMC has been granted two options effective as of the closing; the first, a one year option whereby, in order to maintain and exercise the option, in addition to the \$375,000 payment already made, it must pay the Company \$2,200,000 no later than one year after closing, or the second, a two year option whereby, in order to maintain and exercise the option, in addition to the \$375,000 payment already made, it must pay the Company \$300,000 no later than one year after closing and \$2,420,000 no later than two years after closing.

About Pacific Ridge

Pacific Ridge is a mineral exploration company with a successful history of over 30 years.

The Company's **TL Zinc** project is a 6,420 hectare, road accessible zinc-lead-silver property located 80 km northeast of Vernon, British Columbia, ideally situated with nearby highways, electrical power grid and rail. The target at TL is a large Broken Hill type or SEDEX (Sedimentary Exhalative) Zn-Pb-Ag massive sulfide deposit. The Phase I drill program was temporarily suspended after 2 holes due to extreme winter weather and is planned to re-commence in late spring.

The Company's **Poker Brown** gold-silver project is located 190 km from Reno, Nevada. The target is a large, bulk tonnage, heap leachable gold deposit. Numerous gold mines and advanced projects are located within an 80 km radius of the property. Drill testing of Poker Brown is planned for early spring 2017.

The Company holds a well-located project portfolio in Yukon's White Gold District, including **Mariposa, Eureka Dome** and **Gold Cap**, in the same geological environment as Goldcorp's Coffee Gold Project (acquired from Kaminak Gold earlier in 2016) and Kinross Gold's White Gold deposit.

About BMC

BMC Minerals (No.1) Limited is the Canadian subsidiary of BMC (UK) Limited, a mining development company. It was created as the result of a strategic relationship between a team of established mine developers and a major natural resources private equity group focused on advancing superior base metals assets into development. The BMC executive team has a strong track record of discovery, development and operation of independent zinc, copper and other base metals projects worldwide. BMC seeks to identify, acquire and develop a portfolio of metals assets during the current depressed commodity prices, with the express intent of delivering a new suite of mining ready production assets into the next commodity cycle upturn.

BMC is the owner of the Kudz Ze Kayah ("KZK") project in the south east Yukon nearby the Fyre Lake Cu-Au-Co project. The company identified the KZK Project as having the potential for full mine development due to its size, grade, metallurgical properties and the opportunity for resource growth. BMC is currently engaged in a

program of assessing historical work, extensive seasonal resource drilling, economic assessment, baseline environmental studies and community engagement which should culminate in the submission of a mine development application for KZK to the Yukon Environmental and Socio-Economic Assessment Board in the first quarter of 2017.

On behalf of the Board of Directors,

“Gerald G. Carlson”

Gerald G. Carlson
President & CEO
Pacific Ridge Exploration Ltd.

For further information, contact:

Pacific Ridge Exploration Ltd.

Gerald G. Carlson

President & CEO

Tel: (604)687-4951

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The technical information contained within this News Release has been reviewed and approved by Gerald G. Carlson, Ph.D., P.Eng., President and CEO of Pacific Ridge and Qualified Person as defined by National Instrument 43-101 policy.

Forward-Looking Information: *This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address exploration drilling and other activities and events or developments that Pacific Ridge Exploration Ltd. ("Pacific Ridge") expects to occur, are forward-looking statements. Forward-looking statements in this news release include statements regarding the exercise of the options and future exploration plans and expenditures. Although Pacific Ridge believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploration successes, and continued availability of capital and financing and general economic, market or business conditions. These statements are based on a number of assumptions including, among other things, assumptions regarding general business and economic conditions, that one of the options will be exercised, the ability of Pacific Ridge and other parties to satisfy stock exchange and other regulatory requirements in a timely manner, the availability of financing for Pacific Ridge's proposed programs on reasonable terms, and the ability of third party service providers to deliver services in a timely manner. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Pacific Ridge does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.*