

Form 51-102F3
Material Change Report

1. Name and Address of Company

Pistol Bay Mining Inc.
700-838 West Hastings Street
Vancouver, BC V6C 0A6

(the “Company”)

2. Dates of Material Change(s)

December 28, 2017

3. News Release(s)

A news release was issued on January 10, 2018 and disseminated via Globe Newswire, Stockwatch News and Baystreet News to section 7.1 of National Instrument 51-102.

4. Summaries of Material Changes

Pistol Bay acquires additional zinc-copper properties in Confederation Lake VMS greenstone belt, Ontario.

5. Full Description of Material Changes

News Release January 10, 2018 – See Schedule “A

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

Not applicable.

7. Omitted Information

No information has been omitted.

8. Executive Officer

Mr. Charles Desjardins, President of the Company, is knowledgeable about the material change contained herein and may be reached at (604) 808-3156.

9. Date of Report

This report is dated January 10, 2018.

SCHEDULE “A”
to the Material Change Report dated January 10, 2018

**PISTOL BAY ACQUIRES ADDITIONAL ZINC-COPPER PROPERTIES
IN CONFEDERATION LAKE VMS GREENSTONE BELT, ONTARIO**

Vancouver, B.C. – January 10, 2018: Pistol Bay Mining Inc. (TSX-V - PST; Frankfurt - OQS2) (“**Pistol Bay**” or the “**Company**”) is pleased to announce that it has entered into an option agreement with an arm’s length vendor to acquire a 100% interest in the Mitchell, Gerry Lake and Karas Lake Properties, located in the Karas Lake Area, Red Lake Mining Division, Ontario (the “**Property**”).

The Property consists of 33 mining claims, comprising 232 claim units, and covering approximately 3700 hectares.

Charles Desjardins, President & CEO of Pistol Bay, states, “These newly acquired claims were part of our recent 2017 VTEM PLUS survey. We are very excited about the data and have given these targets a high priority for geophysical modelling.”

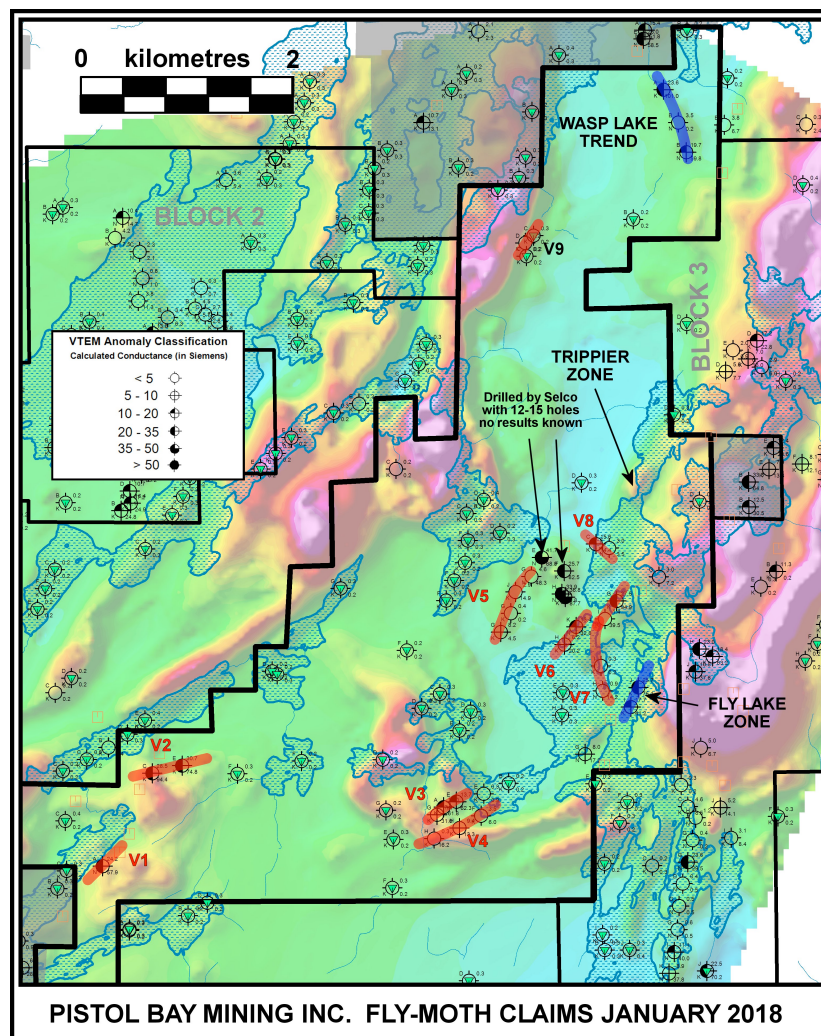
The Mitchell Township or Fly-Moth claim group covers a 9 kilometre stretch of the Confederation Lake greenstone belt and extends to within 1.5 km of the former producing South Bay zinc-copper-silver mine. The property was explored by Selco Mining Corp., Placer Dome Inc., Kerr-Addison Mines, St Joseph Explorations Ltd., Minnova Inc./Inmet Mining and Noranda Inc. at various times between 1967 and 1999. Previous exploration has included approximately 90 diamond drill holes.

Historical work has identified numerous zinc-bearing sulphide zones across the Mitchell claims, including the Wasp Lake, Fly Lake, Trippier, Culvert, Moth and Road Zones. Following are a few highlights from previous work.

The **Wasp Lake Mineralized Trend** was extensively drilled by Selco; most results are unavailable. Two holes by St Joseph Explorations yielded the following:

DDH 3197-6-80:	2.79 m @ 2.96% Zn, 0.04% Cu
includes	0.76 m @ 7.44% Zn, 0.05% Cu
AND	4.02 m @ 2.18% Zn, 0.01% Cu, 0.26% Pb
includes	0.50 m @ 8.97% Zn, 0.02% Cu, 1.17% Pb
AND	3.31 m @ 1.27% Zn, 0.09% Cu
DDH 3197-7-80:	7.19 m @ 1.12% Zn, 0.04% Cu
includes	1.24 m @ 3.63% Zn, 0.14% Cu
AND	4.29 m @ 0.98% Zn, 0.01% Cu, 0.15% Pb

This mineralized trend gave a strong conductive response on Pistol Bay’s recent VTEM PLUS airborne survey. The Company plans to have the geophysics modelled to assess the possibility of a deep-seated massive sulphide zone.



The **Fly Lake** zone was tested by 4 drill holes by St Joseph Minerals in 1976 over a 50 metre length. Pistol Bay's VTEM PLUS survey gave a well-defined response on 2 lines, indicating a length of up to 400 metres. Results of the St Joseph drilling include:

DDH 3197-2-79:	0.60 m @ 1.71% Zn, 0.15% Cu, 0.3 g/t Ag
AND	0.27 m @ 2.00% Zn, 0.08% Cu
DDH 3197-1-80:	4.51 m @ 0.53% Zn, 0.06% Cu
includes	0.76 m @ 1.34% Zn, 0.18% Cu
AND	11.5 m @ 1.36% Zn, 0.17% Cu
includes	2.65 m @ 4.30% Zn, 0.21% Cu
includes	1.01 m @ 8.25% Zn, 0.34% Cu
DDH 3197-2-80:	0.30 m @ 2.69% Zn, 0.07% Cu
AND	4.90 m @ 1.51% Zn, 0.06% Cu
AND	0.90 m @ 1.98% Zn, 0.01% Cu
DDH 3197-3-80:	8.90 m @ 1.51% Zn, 0.08% Cu
includes	3.90 m @ 2.53% Zn, 0.06% Cu
includes	1.00 m @ 4.63% Zn, 0.09% Cu

This zone appears to be open along strike and at depth. The Company proposes to drill for extensions of the mineralization, assisted by modelling of the VTEM data.

VTEM Anomalies: There are 9 discrete VTEM PLUS conductive anomalies that do not appear to have had any previous drill testing. Their conductivity varies from very weak to moderate.

Most are in areas with little or no outcrop and one is under a lake.

The Transaction

The Company can earn a 100% interest in the Property by issuing an aggregate 500,000 common shares and paying a total of \$104,000 over a four-year period. A 1.5% NSR has been granted to the vendor, of which 0.75% may be purchased at any time by the Company for \$400,000.

This transaction is subject to TSX Venture Exchange approval. All shares issued will be subject to a hold period expiring four months and one day from the day of issuance.

Technical information in this news release has been provided and/or reviewed by Colin Bowdidge, Ph.D., P.Geo., a Qualified Person as defined in National Instrument 43-101.

About Pistol Bay Mining Inc.

Pistol Bay Mining Inc. is a diversified Junior Canadian Mineral Exploration Company with a focus on zinc and base metal properties in North America. For additional information please visit the Company website at www.pistolbaymininginc.com or contact Charles Desjardins at pistolbaymining@gmail.com.

On Behalf of the Board of Directors

PISTOL BAY MINING INC.

"Charles Desjardins"

Charles Desjardins,
President and Director

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.
Cautionary note:

This report contains forward looking statements. Resource estimates, unless specifically noted, are considered speculative. Any and all other resource or reserve estimates are historical in nature, and should not be relied upon. By their nature, forward looking statements involve risk and uncertainties because they relate to events and depend on factors that will or may occur in the future. Actual results may vary depending upon exploration activities, industry production, commodity demand and pricing, currency exchange rates, and, but not limited to, general economic factors. Cautionary Note to US investors: The U.S. Securities and Exchange Commission specifically prohibits the use of certain terms, such as "reserves" unless such figures are based upon actual production or formation tests and can be shown to be economically and legally producible under existing economic and operating conditions.