

Form 51-102F3

Material Change Report

Item 1: Name and Address of Company

Highbank Resources Ltd. (the "Company" or "Highbank")
#600-625 Howe Street
Vancouver, BC V6C 2T6
(604) 683-6648

Item 2: Date of Material Change

May 5, 2015

Item 3: News Release

Issued May 5, 2015 and distributed through the facilities of Marketwired.

Item 4: Summary of Material Change

Highbank Resources Ltd. has completed and filed the NI 43-101 Technical Report on a Preliminary Economic Assessment (the "PEA") of Highbank's Swamp Point North Aggregate Project located adjacent to tidewater 50 km south of Stewart in northern British Columbia. The PEA, prepared under the guidance of independent consultant Micon International Limited ("Micon"), was based on the resource estimate published in the "Technical Report on Portland Canal Aggregates Corporation Swamp Point North Property, British Columbia, Canada" prepared by Associated Geosciences Ltd. (AGL), now DMT Geosciences Ltd. (DMT), in 2007.

Micon concludes that Swamp Point North has potential for the economic development and production, subject to success in future marketing initiatives and accordingly, Micon and DMT recommend that Highbank continue to advance the project toward production by concluding initial off-take agreements for its product in parallel with the site works presently underway.

Highlights of the PEA includes a net present value of Cdn. \$24.3 million after tax, discounted at 8% p.a. Revenue forecasts are based on sales of 2,785,000 tonnes of aggregate at an average price of \$34/00/tonne FOB Prince Rupert, and 285,000 tonnes of coarse material at an average of \$21.45/tonne. The cash flow forecast is based on in-pit measured and indicated resources with 1% of the total being an inferred resource within that pit. The mining production schedule assumes Highbank's application to increase its existing permit will succeed.

Overall, with total cash operating cost of \$16.71/tonne and royalties of \$2.35/tonne, the production forecast provides an operating margin of around 44%. At an annual discount rate of 8%, the base case cash flow for the three operating years evaluates to an NPV of \$24.3 million. The project is least sensitive to capital costs, mainly due to most of the required capital investment having taken place prior to start of the cash flow period.

This preliminary economic assessment is preliminary in nature and there is no certainty that the assessment will be realized. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves.

Item 5: Full Description of Material Change

See attached News Release.

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

This report is not being filed on a confidential basis.

Item 7: Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

Item 8: Executive Officer

Contact: Gary Musil, Director & CFO
Telephone: (604) 683-6648

Item 9: Date of Report

May14, 2015



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[TSX.V: HBK](#)

PRELIMINARY ECONOMIC ASSESSMENT FOR SWAMP POINT NORTH AGGREGATE PROJECT

Vancouver, B.C. – May 5th, 2015 – Highbank Resources Ltd. (the “Company”), TSX Venture: **HBK**.

Highbank Resources Ltd. (“Highbank”) is pleased to announce the completion of a positive NI 43-101 Technical Report on a Preliminary Economic Assessment (the “PEA”) of Highbank’s Swamp Point North Aggregate Project located adjacent to tidewater 50 km south of Stewart in northern British Columbia. The PEA, prepared under the guidance of independent consultant Micon International Limited (“Micon”), was based on the resource estimate published in the “Technical Report on Portland Canal Aggregates Corporation Swamp Point North Property, British Columbia, Canada” prepared by Associated Geosciences Ltd. (AGL), now DMT Geosciences Ltd. (DMT), in 2007.

Micon concludes that Swamp Point North has potential for the economic development and production, subject to success in future marketing initiatives.

Accordingly, Micon and DMT recommend that Highbank continue to advance the project toward production by concluding initial off-take agreements for its product in parallel with the site works presently underway.

Highlights of the PEA includes a net present value of Cdn. \$24.3 million after tax, discounted at 8% p.a. The base case cash flows forecast for years 1-3 from the PEA are summarized below.

		LOM (\$'millions)	NPV @ 8% (\$'millions)	Unit cost (\$/t)
Revenue	Gross Sales	98.9	87.7	32.23
less	Royalty	7.2	6.4	2.35
Operating Costs	Net Sales Revenue	91.7	81.3	29.88
	Mining Costs	39.3	34.8	12.80
	Processing Costs	9.8	8.7	3.20
	G&A costs	2.2	1.9	0.70
Net Cash Operating Margin	Total cash operating costs	51.3	45.5	16.71
Capital Expenditure		40.5	35.8	13.18
	Initial/expansion capital	0.5	0.5	0.17
	Sustaining & Closure	0.6	0.5	0.18
Changes in Working Capital		-	0.6	-
Net cash flow before tax		39.4	34.1	12.82
Taxation payable		11.4	9.9	3.71
Net cash flow after tax		27.4	24.3	9.11

Revenue forecasts are based on sales of 2,785,000 tonnes of aggregate at an average price of \$34/00/tonne FOB Prince Rupert, and 285,000 tonnes of coarse material at an average of \$21.45/tonne. The cash flow forecast is based on in-pit measured and indicated resources with 1% of the total being an inferred resource within that pit. The mining production schedule assumes Highbank's application to increase its existing permit will succeed.

Overall, with total cash operating cost of \$16.71/tonne and royalties of \$2.35/tonne, the production forecast provides an operating margin of around 44%. At an annual discount rate of 8%, the base case cash flow for the three operating years evaluates to an NPV of \$24.3 million. The project is least sensitive to capital costs, mainly due to most of the required capital investment having taken place prior to start of the cash flow period.

This preliminary economic assessment is preliminary in nature and there is no certainty that the assessment will be realized. Inferred mineral resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves.

The Company advises that while it has made the decision to put the Project into production, the Company is not basing its production decision on a feasibility study of mineral reserves demonstrating economic and technical viability. There exists an increased economic and technical risk of failure associated with such a production decision.

The Company is continuing its efforts to secure long-term contracts for its aggregate products from Swamp Point North.

The Technical Report summarizing the PEA will be available on the Company's website (www.highbankresources.com) and through SEDAR (www.sedar.com). Qualified persons under NI 43-101 who contributed to the PEA and will be responsible for sections of the Technical Report are: David K. Makepeace, M.Eng., P.Eng., Senior Geologist-Environmental Engineer; & Tania Ilieva, Ph.D., P.Geo., Senior Geologist; of Micon International Limited. In addition, Keith McCandlish, P.Geo., and Peter Cain, Ph.D., P.Eng. of DMT Geosciences Ltd authored the mineral resource and mining sections of the Technical Report, respectively.

The disclosure of the technical information contained above in this news release has been reviewed and approved by David K. Makepeace, M.Eng., P.Eng., who is a Qualified Person as defined under NI 43-101.

**On behalf of the Board of Directors of
Highbank Resources Ltd.**

"Victor N. Bryant"

Victor N. Bryant,
CEO/President

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.

*This news release may contain forward-looking statements based on assumptions and judgments of management regarding future events or results. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plan and objective for future operations and include, without limitation, statements with respect to the anticipated production from the **Swamp Point North Aggregate Project**, the realization of mineral estimates, success of mining operations, the timing and amount of estimated future production, title disputes or claims, environmental risks, limitations on insurance coverage, current and anticipated purchase negotiations and arrangements, requirements for additional capital; and government regulation of mining operations. In some cases, you can identify forward-*

looking statements by the use of terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of these terms or other comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors, including: fluctuations in worldwide prices and demand for aggregates; changes in project parameters as plans continue to be refined; possible variations in grade and or recovery rates; accidents, labour disputes as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, are filed and available for review on SEDAR at www.sedar.com.