FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Altius Minerals Corporation ("**Altius**")
Suite 202, 66 Kenmount Road
St. John's, NL, Canada
A1B 3V7

Item 2 Date of Material Change

December 24, 2013.

Item 3 News Release

The news release announcing the material change was disseminated through the facilities of Marketwired on December 24, 2013.

Item 4 Summary of Material Change

Altius announced on December 24, 2013 that it has entered into a definitive agreement (the "**Arrangement Agreement**") with Sherritt International Corporation ("**Sherritt**"), Prairie Mines & Royalty Ltd. ("**PMRL**"), a wholly-owned subsidiary of Sherritt, and certain other parties pursuant to which Altius will acquire a 51% interest in a portfolio of 11 producing coal and potash royalties located in the provinces of Alberta and Saskatchewan from PMRL (the "**PMRL Royalties**"). Altius will fund $233 million of the $460 million aggregate purchase price to acquire a 51% interest in the PMRL Royalties, alongside Liberty Metals & Mining Holdings ("**LMM**"), a subsidiary of Boston-based Liberty Mutual Insurance, and other private parties. In addition, Altius has agreed to acquire Sherritt's 50% interest in Carbon Development Partnership ("**CDP**").
The transaction will be effected by way of a court-approved plan of arrangement under the *Business Corporations Act* (Alberta).

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

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PMRL holds the rights to subsurface minerals in respect of a portfolio of coal and potash properties in the Canadian provinces of Alberta and Saskatchewan. PMRL has entered into leases, or similar agreements, with mining companies and electricity utilities that, in return for payment of a royalty, grant these companies the right to exploit the subsurface mineral resources. On the basis of these leases, significant potash and coal mining operations have been developed on the leased properties.

CDP holds coal projects with more than 7.2 billion tonnes of measured and indicated resources and over 4.7 billion tonnes of inferred resources. It also holds approximately 2 billion tonnes of inferred potash resources in Saskatchewan. Some of the over 900 thousand hectares of land owned by CDP are located proximal to existing operations while other areas represent stand-alone development opportunities.

Upon closing of the acquisition, the PMRL Royalties will be held through a series of limited partnerships, which will be proportionately owned according to each partner's respective share of the total acquisition price of $460 million. Altius will hold a 51% interest in such limited partnerships and will act as the general partner of the limited partnerships with control over their day-to-day affairs.

Altius' share of the acquisition price of $233 million for the PMRL Royalties and $21 million for CDP will be fully financed through cash on hand of $124 million, a senior loan from Scotiabank for $80 million, and a $50 million subordinated convertible loan from Sprott Inc. and related entities.

Closing of the transaction, which is expected to occur in late winter or early spring 2014, is subject to a number of customary conditions, including the receipt of approval of the plan of arrangement by the Court of Queen's Bench of Alberta and relevant regulatory approvals.

The acquisition of the Genesee coal royalty forming part of the PMRL Royalties is subject to a right of first refusal in favour of a third party. In the event that this right of first refusal is exercised, Altius still intends to acquire the remaining PMRL Royalties. The acquisition of 50% of CDP is subject to both a right of first refusal and tag-along rights in favor of a third party that holds the remaining 50% of CDP.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Chad Wells
Vice-President, Corporate Development
1-877-576-2209

Item 9 Date of Report

December 30, 2013.