

51-102F3
MATERIAL CHANGE REPORT

- Item 1 Name and Address of Company**
Burnstone Ventures Inc. (the “**Company**” or “**Burnstone**”)
Suite 615 - 800 West Pender Street
Vancouver, British Columbia
V6C 2V6
- Item 2 Date of Material Change**
July 31, 2014
- Item 3 News Release**
A News Release disclosing the material change was issued through Marketwired on July 31, 2014.
- Item 4 Summary of Material Change**
The Company announced that it has entered into a binding letter agreement with Abacus Mining & Exploration Corporation (“**Abacus**”), to be followed by a definitive Arrangement Agreement, whereby Abacus will acquire all of the issued and outstanding securities of Burnstone by way of a statutory court-approved plan of arrangement (the “**Arrangement**”). The Arrangement provides for an exchange of 0.43 Abacus shares (each whole share, an “**Abacus Share**”) for each common share of Burnstone. A total of approximately 23 million Abacus Shares are expected to be issued in connection with the Arrangement. The transaction is subject to a number of closing conditions, including approval by the shareholders of each of Burnstone and Abacus, Court approval of the Arrangement, as well as approvals by all applicable governmental and regulatory authorities.
- Item 5 Full Description of Material Change**
- 5.1 Full Description of Material Change**
Please see the attached News Release dated July 31, 2014 for further details.
- 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**

Douglas A. Fulcher, President and CEO
(Tel: 604-687-2038)
- Item 9 Date of Report**
August 11, 2014



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July 31, 2014

NEWS RELEASE

TSX-V Symbol: BVE

Burnstone Ventures and Abacus Mining enter into an agreement to merge the companies

\$3 million loan arranged to facilitate advancement of Tomichi copper-moly project

Burnstone Ventures Inc. ("Burnstone") is pleased to announce that it has entered into a binding letter agreement (the "Letter Agreement") with Abacus Mining & Exploration Corporation ("Abacus"), to be followed by a definitive Arrangement Agreement, whereby Abacus will acquire all of the issued and outstanding securities of Burnstone by way of a statutory court-approved plan of arrangement (the "Arrangement"). The Arrangement provides for an exchange of 0.43 Abacus shares (each whole share, an "Abacus Share") for each common share of Burnstone (a "Burnstone Share"). A total of approximately 23 million Abacus Shares are expected to be issued in connection with the Arrangement. The transaction is subject to a number of closing conditions, including approval by the shareholders of each of Burnstone and Abacus, Court approval of the Arrangement, as well as approvals by all applicable governmental and regulatory authorities.

Upon closing of the Arrangement, Burnstone will become a wholly-owned subsidiary of Abacus. Burnstone's main asset is the Tomichi copper moly porphyry project located in the Colorado Mineral Belt in Gunnison County, south-central Colorado, in which it has an option to earn a 100% interest (the "Tomichi Project"). The Tomichi Project has an initial Inferred Resource Estimate of 2.5 billion lbs Copper, 552 million lbs Molybdenum, 30 million oz Silver, 320,000 oz Gold and 124,362 kg Rhenium, or 5.6 billion lbs Copper Equivalent (see NI 43-101 technical report "*Technical and Resource Estimate for the Tomichi Copper-Molybdenum Project, Gunnison County, Colorado*" on Burnstone's Sedar filings July 10, 2013).

To facilitate the Arrangement, Abacus has signed a Loan and Security Agreement for a term loan facility of CAD \$3 million to be drawn from the funds held in Abacus' escrow account under the provisions of the 2010 Joint Venture Agreement.

Doug Fulcher, President and CEO of Burnstone, stated: "We are extremely pleased with the arrangement with Abacus to join the two companies together as it provides \$3 million in new capital that otherwise would be very difficult to secure that will in part be used to advance the Tomichi project. The arrangement will enhance shareholder value through the resulting company having a 100% owned large scale copper/moly porphyry project to advance in Colorado, USA, while the Ajax copper/gold deposit in which the resulting company will maintain a 20% interest, is being developed in Kamloops, B.C."

Michael McInnis, Abacus' Chairman, President & CEO stated: "The new agreement achieves a dual purpose that is particularly advantageous for Abacus shareholders. It enables Abacus to borrow funds from the escrow account on favourable terms that would otherwise not be allowable under the terms of the original Joint Venture Agreement, and provides the Company with near term growth opportunity by expanding our mineral asset interests with a highly prospective large copper/moly porphyry deposit in Colorado. We intend to create significant value by making use of this funding to continue with the advancement of the Tomichi project while maintaining our 20% interest in the Ajax project."

Burnstone also reports that it has reached settlement agreements with certain creditors to issue approximately 9,500,000 Burnstone Shares in payment for services rendered to Burnstone by several parties over the past 24 months, at a deemed price of \$0.05 per Burnstone Share (the "Debt Settlement"). All such transactions are subject to regulatory approval and all Burnstone Shares issued in connection with the Debt Settlement will be subject to a 4 month hold period.

Mr. James Chapman, P.Geo, is the Qualified Person responsible for the design of the program, and all exploration work on the Tomichi Project will be done under his supervision. Mr. Chapman has read and approved the technical content of this news release.

Terms of the Arrangement

Under the terms of the Arrangement:

- Burnstone shareholders will receive 0.43 of an Abacus Share for each one Burnstone Share.
- All outstanding Burnstone share purchase warrants will be assumed by Abacus and adjusted based on the 0.43 exchange ratio.
- Burnstone has agreed to complete the Debt Settlement with certain of its creditors for Burnstone Shares, which will be exchanged for Abacus Shares under the Arrangement.
- A total of approximately 23 million Abacus Shares are expected to be issued in connection with the Arrangement, representing approximately 10% of the outstanding Abacus Shares on completion of the Arrangement.
- On closing of the Arrangement, Gordon Keevil, a current director of Burnstone, will be appointed to the board of Abacus.
- Each of the directors and officers of Burnstone will execute lock up agreements agreeing to vote any Burnstone Shares they hold in favour of the Arrangement.

The Arrangement is subject to a number of closing conditions including, but not limited to, a confirmatory due diligence review of Burnstone and its assets by Abacus to be completed on or before August 14th, approval by the shareholders of each of Abacus and Burnstone, receipt of all court and regulatory approvals, including that of the Ontario Superior Court and the TSX Venture Exchange, completion of the Debt Settlement, and all outstanding Burnstone stock options being cancelled.

Abacus and Burnstone have agreed to enter into a definitive arrangement agreement (the “**Arrangement Agreement**”) incorporating the terms of the Letter Agreement and other terms and conditions customary for transactions of this nature, on or before August 22nd.

Additional Information Regarding the Arrangement

The terms of the Arrangement will be described in further detail in the management information circular of Burnstone to be filed with the regulatory authorities and mailed to the Burnstone shareholders. A copy of the Burnstone information circular and other materials related to the Arrangement will be available for review as they become available at www.sedar.com under Burnstone’s profile.

Abacus/Burnstone Loan

Abacus and Burnstone have entered into a loan and security agreement pursuant to which Abacus advanced CAD\$250,000 to Burnstone (the “**Burnstone Loan**”). The Burnstone Loan is secured by a first priority security interest over the Tomichi Project. Interest on the Burnstone Loan accrues at 8% per annum. The Burnstone Loan proceeds are to be used by Burnstone in relation to the Tomichi Project.

Joint Venture Loan

To facilitate the Arrangement, Abacus also signed a loan and security agreement for a term loan facility of CAD\$3 million drawn from the approximate CAD\$16 million of funds held in Abacus’ escrow account under the provisions

of the 2010 Joint Venture Agreement with respect to the Ajax project. The loan has been fully drawn, bears interest at the rate of 8% per annum and is collateralized by CAD\$3,360,000 of Abacus' escrowed funds.

As a condition of the loan, Abacus has agreed to continue to contribute its 20% share of the 2014 and 2015 programs and budget towards development of the Ajax project, which will be funded from the balance of the escrowed funds as and when cash calls are made.

About Tomichi

Burnstone has an option to earn a 100% interest in the Tomichi Project. The Tomichi Project is located within the Colorado Mineral Belt and was initially worked on in the 1950's by Climax Molybdenum Co. and more recently, in the 1980's by Molycorp Inc. No work was carried out between the 1982 drill program and the 2012 Burnstone program.

The NI 43-101 resource estimate was completed by Geosim Services Inc. and the full Technical report is available on Sedar. The following table shows the tonnages and grades for the Tomichi Project at a range of Copper Equivalent cutoff grades (COG%). All of the 2012 drilling was carried out within the area of the 0.50%CuEq resource.

TOMICHI INFERRED MINERAL RESOURCE - TONNES & GRADE

COG % CuEq	Tonnes 000's	Cu (%)	Mo (%)	Au (g/t)	Ag (g/t)	Re (g/t)	CuEq (%) **
0.10	698,503	0.171	0.037	0.015	1.38	0.185	0.38
0.20	622,429	0.182	0.040	0.016	1.50	0.200	0.41
0.30	506,513	0.197	0.044	0.018	1.69	0.221	0.45
0.40	334,320	0.216	0.048	0.019	1.93	0.249	0.50
0.50	132,279	0.237	0.058	0.020	2.30	0.294	0.57

**CuEq = %Cu + %Mo x 5 + g/t Au x 0.681 + g/t Ag * 0.012

Rhenium values have not been used in the cutoff grade or Cu Equivalent calculations

About Abacus

Abacus is a mineral exploration and mine development company with a 20% interest in the feasibility stage Ajax copper-gold project located at the historic Ajax-Afton site southwest of Kamloops, B.C. Through a joint venture between Abacus Mining & Exploration Corporation and KGHM Polska Miedz S.A. through KGHM Ajax, the Ajax Project is a proposed open-pit mine with an approximate 20-year mine life expected to yield approximately 109 million pounds of copper and 99,000 ounces of gold annually. [see Report titled "Ajax Copper/Gold Project -- Kamloops, British Columbia Feasibility Study Technical Report" by Wardrop (a Tetra Tech Company) dated January 6, 2012 ("FS")].

On Behalf of the Board of Directors:

"Doug Fulcher"

Douglas Fulcher – President

For further information, please contact:

604 681 7733 or visit our website at www.burnstoneventures.com.

Forward-Looking Statements

This document may contain “forward-looking information” within the meaning of Canadian securities legislation and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). These forward-looking statements are made as of the date of this release.

All statements in this release, other than statements of historical facts, that address events or developments that Burnstone expects to occur, are forward-looking statements. Such forward-looking statements include, but are not limited to, statements with respect to the timing and implementation of the Arrangement, the integration of Abacus and Burnstone following the Arrangement, estimation of mineral resources, and the success of mining and development operations.

Although Burnstone 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 may differ materially from those in the forward-looking statements. Assumptions upon which such forward-looking statements are based include that Abacus and Burnstone will be able to satisfy the conditions in the Letter Agreement and Arrangement Agreement, that the required approvals will be obtained from the shareholders of each of Abacus and Burnstone, that all third party, court, regulatory and governmental approvals to the Arrangement will be obtained, and that all other conditions to completion of the Arrangement will be satisfied or waived. Many of these assumptions are based on factors and events that are not within the control of Abacus or Burnstone and there is no assurance they will prove to be correct.

In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “potential”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or 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 Burnstone to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, market prices; exploration and development successes; continued availability of capital and financing; and general economic, market or business conditions. Please see our public filings on SEDAR at www.sedar.com. Although Burnstone has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Burnstone provides no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. 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. Forward-looking statements are based on the beliefs, estimates and opinions of Burnstone’s management on the date the statements are made. Except as required by applicable securities laws, Burnstone undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change. Accordingly, readers should not place undue reliance on forward-looking statements.