

**Form 51-102F3**

***Material Change Report***

**Item 1 Name and Address of Company**

Pacific Rim Cobalt Corp. (the "Company")  
912-1112 West Pender Street  
Vancouver, B.C. V6E 2S1

**Item 2 Date of Material Change**

October 23, 2017

**Item 3 News Release**

A news release was disseminated on October 24, 2017 through the facilities of Newswire.

**Item 4 Summary of Material Change**

The Company has completed the previously announced acquisition of 1121844 B.C. Ltd. (the "Transaction") and completed a non-brokered financing of 12,780,804 units generating gross proceeds of \$4,473,281 (the "Financing").

Immediately prior to the completion of the Transaction and Financing, the Company completed a consolidation of its common shares on a four (4) old for one new basis (the "Consolidation").

On October 10, 2017, the Company changed its name from "Rhys Resources Ltd." to "Pacific Rim Cobalt Corp."

The Company's common shares were delisted from the TSX Venture Exchange at the close of market on October 23, 2017 and will commence trading on the Canadian Securities Exchange under the stock symbol "BOLT" on October 24, 2017.

**Item 5 Full Description of Material Change**

*Transaction*

Under the provisions of the Transaction, the Company acquired all of the issued and outstanding securities of 1121844 B.C. Ltd. ("CPA") in consideration of the issuance of 11,000,000 post-Consolidation common shares (the "Payment Shares"). CPA and its wholly owned Hong Kong subsidiary, Cobalt Power (Asia) Ltd. ("CPA HK") are now wholly owned subsidiaries of the Company.

CPA HK is party to an option agreement with PT. Tablasufa Nickel Mining to acquire all of the issued and outstanding securities of TNM. TNM is a private Indonesia company holding an IUP Operation Production Mining Permit for the TNM Cobalt Project.

Pursuant to the Transaction, all of the Payment Shares are subject to escrow restrictions

pursuant to the terms of an Escrow Agreement dated October 23, 2017, and will be released from escrow based upon the passage of time in accordance with the Escrow Agreement, such that 10% of the securities will be released on October 24, 2017 and the remaining escrowed securities will be released in six tranches of 15% every six months thereafter.

On closing, the Company paid a cash finder's fee of \$154,000 related to the Transaction.

### *Financing*

The Company completed the Financing generating gross proceeds of \$4,473,281, through the issuance of 12,780,804 units (each a "Unit") at \$0.35 per Unit.

Each Unit entitles the holder to receive one post-Consolidation common share of the Company (each a "Common Share") plus one half of one transferable share purchase warrant, each whole warrant (a "Warrant") entitling the holder to acquire one Common Share at an exercise price of \$0.50 per share until October 24, 2019, subject to accelerated expiry provisions whereby in the event the closing price of the Common Shares exceeds \$0.70 per share for a period of 20 consecutive trading days, at the Company's election, the 24 month period within which the Warrants are exercisable will be reduced and the holders of the Warrants will be entitled to exercise their Warrants for a period of 30 days commencing on the day the Resulting Issuer provides notice of same.

The Company paid cash commission of 7.0% of gross proceeds received and broker warrants equal in number to 7.0% the number of Units sold, payable to registrants. Each broker warrant shall have the same terms as the Warrants, provided however that they will be non-transferable. An aggregate of \$262,621 was paid in cash, 367,621 broker warrants were issued and a further 380,500 Units were issued to finders.

The Company completed a portion of the Financing pursuant to Multilateral CSA Notice 45-318 Prospectus Exemption for Certain Distributions through an Investment Dealer ("CSA 45-318") and the corresponding instruments, orders and rules implementing CSA 45-318 in the participating jurisdictions.

The net proceeds of the Financing will be used to fund development of the TNM cobalt property, and for general working capital purposes during the ensuing twelve-month period.

The securities issued pursuant to the Transaction and Financing bear a "hold period" expiring on February 24, 2018 in accordance with applicable securities laws.

### *Consolidation*

Prior to the closing of the Transaction and Financing, the Company completed the Consolidation. The holdings of any shareholder who would otherwise be entitled to receive a fractional share as a result of the Consolidation shall be rounded up to the next higher whole number if the fraction is 0.5 or greater, and rounded down to the next lower whole number if the fraction is less than 0.5. The Company's new CUSIP number is 69480L107 and its new ISIN number is CA69480L1076.

### *Changes in Board and Management*

Upon completion of the Transaction, Mark Vanry resigned as the President and Chief Executive Officer of the Company and as a director. Richard Barth also resigned as a director of the Company.

Ranjeet Sundher, Sean Bromley and Garry Clark have been appointed as new directors of the Company. The Board is now comprised of Ranjeet Sundher, Sean Bromley, Garry Clark and Steve Vanry.

Ranjeet Sundher has also been appointed as the President and Chief Executive Officer of the Company and Bev Funston has been appointed as the Corporate Secretary.

### *Grant of Options*

A total of 1,900,000 incentive stock options have been granted to directors, officers and consultants of the Company pursuant to the Company's Stock Option Plan. The options are exercisable for a period of two years at a price of \$0.46 per share, vesting 25% on the closing date and every six months thereafter.

### *Exchange Listing*

In connection with the Transaction, the Company delisted its common shares from the TSX Venture Exchange ("TSXV") and listed the post-Consolidation common shares on the Canadian Securities Exchange ("CSE") such that on October 24, 2017, the common shares of the Company would be listed on the CSE under the trading symbol BOLT.

### *Capitalization*

Following completion of the Consolidation, Transaction and Financing, the Company now has 29,642,688 issued and outstanding common shares. Assuming that all of the Company's options and warrants were exercised, the Company would have 39,022,211 common shares issued and outstanding on a fully diluted basis.

Details of the Consolidation, Transaction and Financing are contained in the Company's listing statement dated October 19, 2017 filed under the Company's profile on [www.sedar.com](http://www.sedar.com).

### **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 in reliance on subsection 7.1(2) or (3) 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**

Steve Vanry is knowledgeable about the material change and the Report and may be contacted (604) 558.3920

**Item 9            Date of Report**

October 31, 2017