

51-102F3 Material Change Report [F]

Item 1 Name and Address of Company

Alset Energy Corp.
684 Squier Street
Thunder Bay, Ontario

Item 2 Date of Material Change

December 19, 2016

Item 3 News Release

The news release dated December 19, 2016 was disseminated through Canada Stockwatch and Market News under section 7.1 of National Instrument 51-102.

Item 4 Summary of Material Change

Please refer to attached news release.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please refer to attached news release.

5.2 Disclosure for Restructuring Transactions

N/A

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

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Stephen Stares, CEO, Alset Resources

Item 9 Date of Report

December 20, 2016

ALSET OPTIONS WISA LAKE LITHIUM PROJECT TO ARDIDEN LIMITED AND APPOINTS NEW CFO

December 19, 2016

Thunder Bay, Ontario: Alset Energy Corp. (TSXV: ION) ("Alset" or "the Company") is pleased to announce an option agreement has been completed with Ardiden Limited ("Ardiden") for the Wisa Lake Lithium project. The property is located 80km east of Fort Frances, Ontario and accessed by an all-weather road that connects to Hwy 11 (Trans Canada) to the north. Historical work on the project delineated a good starting deposit with room for expansion and promising lithium grade (see Alset PR May 30, 2016).

In addition, Alset is pleased to announce the appointment of Albert Wu as the Company's new CFO, replacing Evan Asselstine. With Alset's President and CEO, and legal counsel currently housed in the Vancouver area, it seemed like a logical time to move our banking and accounting system out to Vancouver. Mr. Asselstine has been instrumental in the Company's affairs for several years and we wish him well in all his future endeavours.

Allan Barry Laboucan, President and CEO of Alset Energy said: "With our focus on our Mexican salars, our board felt it would be better to option out the Wisa Lake Lithium project to get shareholder value. We are delighted that Ardiden sees the same potential on the project as we do. In addition to a historical resource that has never been cut off, the project also has a promising grade and excellent access infrastructure. As well there are untested geochemical anomalies near geological structures that are wide open for exploration. We look forward to Ardiden's efforts to advance the Wisa Lake Lithium project."

Terms of the Option Agreement

Ardiden Limited has an option to earn a 100% interest in the Wisa Lake Lithium project by:

- a) paying Alset a non-refundable deposit of C\$30,000 within five days of signing which initiates a due diligence period ending June 30, 2017

And if Ardiden agrees to exercise the option:

- b) pay Alset C\$50,000 on the due diligence completion date
- c) issue C\$220,000 of ordinary shares of Ardiden to Alset, with Ardiden having the right to pay C\$220,000 in a combination of cash and shares at their discretion
- d) Alset will retain a 2% Net Smelter Royalty ("NSR") and Ardiden will have the right to purchase or buy back 1% of the NSR for C\$500,000.

About Alset Energy (ION.V)

Alset Energy is a TSX-V listed junior exploration company focused on exploring and acquiring mineral properties containing the metals needed by today's high-tech industries. The Company is actively exploring in Mexico and Canada.

On behalf of the Board of Directors of Alset Energy Corp.,

"Allan Barry Laboucan"

Allan Barry Laboucan, President and CEO

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

The information contained herein contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of

prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to gold price and other commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. These forward looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances. Actual events or results could differ materially from the Company's expectations or projections

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