FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 **Name and Address of Company**

Falco Pacific Resource Group Inc.
1328 – 885 West Georgia Street
Vancouver, BC V6C 3E8

Item 2 **Date of Material Change**

April 23, 2014

Item 3 **News Release**

The news release was disseminated on April 23, 2014 through the facilities of Marketwired Canada and was SEDAR filed with the British Columbia and Alberta Securities Commissions.

Item 4 **Summary of Material Change**

Falco Pacific Resource Group Inc. ("Falco Pacific" or the "Company") announced that effective immediately the Board of Directors of Falco Pacific has appointed Mr. Jim Davidson to serve as interim Chief Executive Officer of Falco Pacific. Mr. Davidson's appointment follows the resignation from Falco Pacific, and Board of Directors, of Mr. Kelly Klatik who has chosen to pursue other business opportunities.

Item 5 **Full Description of Material Change**

5.1 Full Description of Material Change

Falco Pacific announced that effective immediately the Board of Directors of Falco Pacific has appointed Mr. Jim Davidson to serve as interim Chief Executive Officer of Falco Pacific. Mr. Davidson's appointment follows the resignation from Falco Pacific, and Board of Directors, of Mr. Kelly Klatik who has chosen to pursue other business opportunities.

Mr. Davidson has served as Chief Financial Officer of Falco Pacific since its inception. Mr. Marshall House, Falco Pacific's controller, will assume the duties of the Chief Financial Officer during the transition period. Mr. Klatik will provide certain administrative services to Falco Pacific during a two month period to aid with a smooth transition.

"Falco Pacific would like to thank Mr. Klatik for his efforts and dedication as a co-founder during the formation and through the early stages of Falco Pacific's development" said Mr. Darin Wagner, Chairman of Falco Pacific. "While change is never without its challenges this affords Falco Pacific the opportunity to enhance its technical expertise and experience, at the Management and Board levels, as we make the transition from evaluating the scale of opportunity represented by our Rouyn-Noranda Project in Quebec, to focusing on the enhancement of shareholder value through the exploration and optimization of the future development potential of these assets."

Falco Pacific has engaged the services of PM Search Partners to assist with the recruitment of a new President, Chief Executive Officer and Board Member(s). Falco Pacific anticipates a timely conclusion to the process.

About Falco Pacific Resource Group

Falco Pacific controls over 700 square kilometres of the world-class Rouyn-Noranda gold-base metal mining camp in the Canadian province of Quebec. Long considered one of the crown jewels of the Canadian mining business, Falco Pacific's Rouyn-Noranda Project is centered around the Horne Gold-Copper Mining Complex which includes the wholly owned Horne #5 gold-copper-zinc-silver deposit which Falco Pacific is actively evaluating. For more information, on the Horne #5 deposit and Falco Pacific please visit www.falcopacific.com or see our public disclosure record at www.sedar.com.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Confidentiality is not requested.

Item 7 Omitted Information

No information has been omitted in respect of the material change.

Item 8 Executive Officer

The following executive officer of Falco Pacific is knowledgeable about the material change disclosed in this report.

James Davidson, President and CEO
Telephone: 604.336.6346

Item 9 Date of Report

May 2, 2014

Forward-Looking Statements

This material change report contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws and the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements include terms of the transaction, including acquisition costs, shares to be issued and approval of the TSX Venture Exchange and future plans. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include those risks set out in the Company's public documents filed on SEDAR at www.sedar.com. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this material change report, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.