FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1 NAME AND ADDRESS OF REPORTING ISSUER

Chieftain Metals Corp. (the **Company**)
2 Bloor Street West, Suite 2510
Toronto, Ontario M4W 3E2

ITEM 2 DATE OF MATERIAL CHANGE

July 4, 2014 (being the date of execution of the Bridge Loan (defined below) and the Amended and Restated Streaming Agreement (defined below) and July 7, 2014 (being the date of funding of the initial tranche of the Bridge Loan).

ITEM 3 NEWS RELEASE

A news release announcing the Company's intention to complete the Bridge Loan (defined below) was issued through Marketwired on June 4, 2014 and subsequently filed on SEDAR.

A news release announcing the closing of the Bridge Loan (defined below) and the Amended and Restated Streaming Agreement (defined below) was issued through Marketwired on July 7, 2014 and subsequently filed on SEDAR.

ITEM 4 SUMMARY OF MATERIAL CHANGE

On July 7, 2014 the Company announced that its wholly-owned subsidiary had completed a secured, syndicated loan facility with West Face Capital Inc. (**West Face Capital**), as agent for West Face Long Term Opportunities Global Master L.P. (a fund managed by West Face Capital), as lender and such other lenders as may become party from time to time (the **Bridge Loan**).

In connection with the Bridge Loan, the Company also announced that its wholly-owned subsidiary had completed an amended and restated gold and silver purchase and sale agreement with, among others, a subsidiary of Royal Gold, Inc. (**Royal Gold**) (the **Amended and Restated Streaming Agreement**) which amended and restated the purchase and sale agreement dated as of December 22, 2011 between the Company's wholly-owned subsidiary and Royal Gold.

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

The Bridge Loan was structured as a 24 month secured facility and is available to the Company in two tranches, with an interest rate of LIBOR plus 15%. The first tranche, in the amount of $7.5 million, has been advanced subject to an initial issuance discount of 2% of the principal amount of the first and second tranches and less certain fees and disbursements of counsel to West Face Capital, resulting in the Company receiving an aggregate of $7,047,220 in proceeds. These proceeds will be used to update the Company's existing 2012 feasibility study (the **Feasibility Update**) relating to the construction of the permitted Tulsequah Chief polymetallic mine (the **Project**), as well as for general corporate purposes. The availability of the second tranche provides the Company with the ability to draw the Canadian dollar equivalent of US$10 million, if needed, to repay amounts owing under the Amended and Restated Streaming Agreement.

The Feasibility Update has a number of key objectives, including an alternative development scenario focused on lowering project capital expenditures based on a lower, more selective production level start, establishing concentrate transportation alternatives and optimizing mill design, head grades and copper recoveries. The Company expects that achieving the objectives outlined above will enhance project financing and joint venture opportunities.

Provided the Feasibility Update meets the investment criteria of Royal Gold, the Amended and Restated Streaming Agreement will provide, in addition to the US$10 million received in December 2011, non-refundable advance payments of up to a further US$45 million by Royal Gold, to be used for the Project construction. The advances made by Royal Gold will be made against the future sale of 17.5% of the gold production up to 65,000 ounces, payable at 30% of the daily London price quotation and 8.75% of the gold production thereafter; as well as the future sale of 25% of the silver production up to 3,000,000 ounces, payable at 25% of a recognized silver price quotation and 12.5% of the silver production thereafter.

Additional Information

West Face Capital is a "related party" to the Company by virtue of its substantial shareholdings in the Company. Accordingly, the Bridge Loan is a "related party transaction" as that term is defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (**MI 61-101**). A formal valuation of the Bridge Loan was not required as the transaction does not fall under paragraphs (a) through (g) of the definition of "related party transaction". As well, the Bridge Loan was exempt from the minority approval requirements of MI 61-101 as (i) the Bridge Loan was made on reasonable commercial terms that are not less advantageous to the Company than if it were obtained from a person dealing at arm's length with the Company; and (ii) neither the Bridge Loan (and advances thereunder) nor the principal and interest payable thereunder, are convertible, directly or indirectly, into equity or voting securities of the Company or its subsidiary or are otherwise participating in nature. In accordance with the rules of the Toronto Stock Exchange, the Company obtained written shareholder consents from holders of a majority of the disinterested common shares of the Company in respect of the Bridge Loan.

The Bridge Loan was approved by a majority of the Company's board of directors (the **Board**) following a careful review and consideration of available financing alternatives as well as efforts by management to secure project financing in a challenging financing environment. Management recommended the Bridge Loan to the Board as the best available source of funds on satisfactory commercial terms which would provide the Company with the financial ability to complete the Feasibility Update and working capital while the Company works to secure project financing for the Project. In addition, subject to the terms and conditions of the Bridge Loan, the second tranche of the Bridge Loan will allow the Company to repay amounts owing to Royal Gold, if required, under the Amended and Restated Streaming Agreement. The Bridge Loan was approved by a majority of the Board with the exception of Edward Yurkowski, the nominee of Procon Holdings (Alberta) Inc. (**Procon**), which is a significant shareholder of the Company. The Company understands that Mr. Yurkowski voted against the Bridge Loan on the instruction of Procon's majority shareholder without giving reasons.

It was considered reasonable and necessary to file a material change report in respect of the Bridge Loan less than 21 days before the closing given the time required to conclude definitive documentation and the need to improve the Company's financial condition in a timely manner.

The Bridge Loan and Amended and Restated Streaming Agreement are available on the Company's SEDAR profile at www.sedar.com.

Cautionary Statement Regarding Forward-Looking Information

This material change report contains forward-looking information. All statements, other than statements of historical fact, are forward-looking and can be identified by the use of future-oriented words and phrases including without limitation "may", "will", "could", "subject to", "expects" and variations and negatives thereof. The forward-looking information included in this material change report includes statements with respect to: the intended use and sufficiency of proceeds of the Bridge Loan; the Company's potential obligation to repay deposited amounts under the Amended and Restated Streaming Agreement; the improvements expected to be made to the Project by the Feasibility Update; and the expected timing of the completion of the Feasibility Update. Forward-looking information contained in this material change report is based on the opinions and estimates of management of the Company as well as certain assumptions considered by management of the Company to be reasonable and which are made as at the date the information is given (including, in respect of the forward-looking information contained in this material change report, assumptions regarding the expected cost of funding and the timing requirements to complete the Feasibility Update and the projected working capital requirements of the Company, the potential obligation of the Company to repay amounts under the Amended and Restated Streaming Agreement, and assumptions and factors regarding the Company's mineral properties which management expects to be supported by the Feasibility Update). Readers should be cautioned that forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Material risks include without limitation: that funding conditions under the second tranche of the Bridge Loan will not be met; the cost and timing of the Feasibility Update may exceed management's expectations and/or may not result in the optimizations to the Project expected by management; advances under the Bridge Loan may be insufficient to address the intended use of proceeds as expected by management, inherent risks involved in the exploration and development of the Company's mineral properties, volatility of metal prices and other factors. Readers are cautioned to not place undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date hereof and the Company assumes no responsibility to update or revise it to reflect new events or circumstances, except as required by law.

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

The following is the name and business number of an executive officer of the Company who is knowledgeable about the material change and this report.

Pompeyo Gallardo
Chief Financial Officer
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ITEM 9 DATE OF REPORT

This report is dated the 9th day of July, 2014.