

FORM 51-102F3

**MATERIAL CHANGE REPORT
UNDER NATIONAL INSTRUMENT 51-102**

1. **Name and Address of Company**

Telferscot Resources Inc.
2702-401 Bay Street
P.O. Box 136
Toronto ON M5H 2Y4

2. **Date of Material Change**

January 15, 2018

3. **News Release**

A news release with respect to the material change referred to in this report was disseminated through Nasdaq on January 15, 2018 and filed on the system for electronic document analysis and retrieval (SEDAR).

4. **Summary of Material Change**

Telferscot and Canntab Therapeutics Execute Definitive Agreement

5. **Full Description of Material Change**

TORONTO, Ontario, January 15, 2018 – Telferscot Resources Inc. (CSE:TFS) (“**Telferscot**”) and Canntab Therapeutics Limited (“**Canntab**”) (and together the “**Parties**”) are pleased to announce execution of an Amalgamation Agreement (the “**Agreement**”) between the Parties pursuant to the Agreement. Canntab will amalgamate with a wholly-owned subsidiary of Telferscot and the Canntab shareholders will receive common shares of Telferscot in consideration for their shares of Canntab (the “Amalgamation”). Canntab has completed its \$5-million financing, which was one of the conditions precedent to closing pursuant to the Agreement. The Parties have also satisfied the due diligence set forth in the Agreement and will be filing a listing statement with the Canadian Stock Exchange (“CSE”) for their review, comment and approval. This Listing Statement will provide detailed disclosure of the new business and related risk factors. The transaction proposed will constitute a Fundamental Change pursuant to CSE policies.

Canntab currently has 4,713,000 common shares outstanding. With the completion of its private placement Canntab has issued 1,251,914 Subscription Receipts for total gross proceeds of \$5,007,656. Immediately prior to the completion of the Amalgamation, each Subscription Receipt will convert in to one

Canntab share, resulting in there being 5,964,914 common shares of Canntab. Pursuant to the Amalgamation, shareholders of Canntab will receive 4 post-consolidation shares of Telferscot for each share of Canntab. Telferscot Shareholders are being asked to approve a consolidation of Telferscot Common Shares on a basis of 1 post-consolidation share for every 200 current, pre-consolidation shares (the "Consolidation"). Following the Consolidation, Telferscot will have approximately 574,284 shares and 50,750 options outstanding. Pursuant to the Amalgamation, Telferscot will issue 23,859,656 shares, 1,520,800 warrants and 1,880,000 options to the security holders of Canntab.

"We are pleased with the progress of the transaction. Closing the recent Canntab financing ensures that the future of Canntab and its business plan will be well funded upon completion of the current transaction", said Stephen Coates, President and CEO of Telferscot.

"Completing the reverse takeover of Telferscot is a major stepping stone for Canntab. Obtaining a public listing will provide liquidity to our shareholders and a platform for us to continue building our base of extended release tablets and other formulations which are ready to go to market globally," said Richard Goldstein, Co-Founder and CFO of Canntab.

It is expected that Telferscot will obtain shareholder approval of the transaction along with the proposed consolidation of shares and company name change at a meeting of shareholders to be held as soon as practicable. Additionally, and upon the successful completion of the transaction, Telferscot will be spinning out the current legal action, which it is pursuing against Auxico Resources Inc., as well as several business transactions that Telferscot was pursuing at the time of reaching agreement with Canntab. Further information on the spinout assets and related actions will be provided to shareholders in due course.

6. **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Executive Officer**

For further information, contact Stephen Coates, Director and CEO of Telferscot Resources Inc at 416-642-1807.

9. **Date of Report**

January 15, 2018