

**Form 51-102F3**  
**MATERIAL CHANGE REPORT**

1. **Name and Address of Company**

Khan Resources Inc. (the “**Company**”)  
Suite 3680  
130 King St. W.  
Toronto, ON M5X 1B1

2. **Date of Material Change**

March 1, 2018

3. **News Release**

A news release was disseminated under section 7.1(2) of National Instrument 51-102 on March 7, 2018 through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company made a strategic investment in Arctic Blockchain Ltd. (“**Arctic Blockchain**”), pursuant to which it purchased C\$2.5 million of convertible non-interest bearing debentures (the “**Debentures**”) of Arctic Blockchain, as described in more detail below.

5. **Full Description of Material Change**

The Company made a strategic investment in Arctic Blockchain, a privately held British Columbia corporation that operates a data centre business, offering enterprise co-location services as well as mining cryptocurrency for its own account and its customers.

Under the terms of the investment, the Company purchased C\$2.5 million of the Debentures as the lead investor in Arctic Blockchain’s recently completed private placement offering of Debentures in the aggregate principal amount of C\$10 million. In addition, the Company and Arctic Blockchain entered into an agreement pursuant to which the Company has the right to participate in equity financings of Arctic Blockchain in order to maintain its pro rata ownership in Arctic Blockchain at the time of any such financing. Such agreement will terminate on the earliest of the second anniversary of the agreement, the date that the Company holds in the aggregate less than 3% of the issued common shares of Arctic Blockchain, or a “Liquidity Event” (as defined in the agreement and includes the listing of Arctic Blockchain’s shares on a recognized stock exchange) with respect to Arctic Blockchain.

The Debentures will mature and become payable on February 27, 2023 (the “**Maturity Date**”), unless prepaid or converted earlier in accordance with the provisions thereof. Prior to the Maturity Date, the principal amount of the Debentures can be converted into units (the “**Units**”) of Arctic Blockchain, at the option of the holder, at the conversion price of C\$0.50 per Unit, and will be automatically converted into Units at such conversion price prior to a Liquidity Event. Each Unit will be comprised of one common share of Arctic Blockchain and one common share purchase warrant, with each such warrant entitling the holder thereof to acquire one common share of Arctic Blockchain at a price of \$0.75 per share for a period of two years from the Liquidity Event.

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

The report is not being filed on a confidential basis.

7. **Omitted Information**

No information has been omitted from this report on the basis that it is confidential.

8. **Executive Officer**

For further information, contact Marc Henderson, interim Chief Executive Officer, Toronto, Canada at +1 (416) 599 7363.

9. **Date of Report**

This report is dated at Toronto, this 12<sup>th</sup> day of March, 2018.