

**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**

April 3, 2018

3. **News Release**

A news release with respect to the material change referred to in this report was disseminated through Newsfile on April 3, 2018 and filed on the system for electronic document analysis and retrieval (SEDAR).

4. **Summary of Material Change**

Telferscot to Distribute Equity in Seven New Companies to TFS Shareholders

5. **Full Description of Material Change**

TORONTO, Ontario, April 3, 2018 – Telferscot Resources Inc. (CSE:TFS) (“**Telferscot**” or the “**Company**”) is pleased to announce that the Company received final approval from the Ontario Superior Court for the Company’s Plan of Arrangement. The Company has set a Record Date for the resulting distribution of shares of April 4, 2018.

In addition to holding their shares of the Company, Telferscot shareholders will receive distributions in seven new companies (the “**SpinCo**” or “**SpinCos**”) as a result of the Plan of Arrangement as follows:

For every 1,000 shares of Telferscot owned as of the Record Date (above), Telferscot shareholders will receive:

- 100 shares of SpinCo #1
- 50 shares of SpinCo #2
- 50 shares of SpinCo #3
- 50 shares of SpinCo #4
- 100 shares of SpinCo #5
- 50 shares of SpinCo #6
- 200 shares of SpinCo #7

None of these companies are currently listed for trading on any exchange and as such, the shares are not currently readily saleable. It is the intention of six of the seven companies to complete the planned acquisitions of business as outlined in the Management Information Circular dated March 1, 2018 and available at [www.tfs-poa.com](http://www.tfs-poa.com). The seventh company, SpinCo #7, will continue to pursue the Company's legal action against Auxico Resources Canada Inc.

Background to the Plan of Arrangement:

Telferscot management had been in discussions and negotiations with several other potential candidates for an RTO into the Company at the time of the Canntab introduction. In an effort to extract further value for Telferscot shareholders, the Company pursued these other discussions and, subject to shareholder and court approvals (now completed and received),

For complete information on the Plan of Arrangement and the acquisition of Canntab Therapeutics, investors and shareholders are encouraged to go to [www.tfs-poa.com](http://www.tfs-poa.com). Investors can sign up there to receive investor communications on the activities of Canntab as well as plans and developments in each of the new entities to be distributed to shareholders.

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**

April 3, 2018