

Form 51-102F3
Material Change Report

1. Name and Address of Company

Pegasus Resources Inc.
700-838 West Hastings Street
Vancouver, BC V6C 0A6

(the “Company”)

2. Dates of Material Change(s)

October 20, 2021

3. News Release(s)

A news release was issued on October 20, 2021 and disseminated via Globe Newswire to section 7.1 of National Instrument 51-102.

4. Summaries of Material Changes

The Company announces it has acquired Uranium properties in Saskatchewan’s Athabasca Basin

5. Full Description of Material Changes

News Release October 20, 2021– See Schedule “A

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

Not applicable.

7. Omitted Information

No information has been omitted.

8. Executive Officer

Mr. Charles Desjardins, President of the Company, is knowledgeable about the material change contained herein and may be reached at (604) 808-3156.

9. Date of Report

This report is dated October 22, 2021.

Pegasus Resources Acquires Additional Uranium Projects in the Athabasca Basin Region, Saskatchewan Acquisition Includes Historical Resource Estimate of 535,718 Pounds of Uranium

October 20, 2021 – Pegasus Resources Inc. (TSX-V: PEGA; Frankfurt – OQS2, OTC/Pink Sheet symbol SLTFF) (the "Company" or "Pegasus") is pleased to announce the acquisition of four Uranium properties located immediately northwest of the prolific Athabasca Basin of northern Saskatchewan which includes a historical resource estimate of 204,200 tons at 0.119% U₃O₈ at an average width of 15.8 feet (4.8 metres), containing 535,718 pounds of uranium*. Cumulatively the properties encompass about 54,026 ha in 13 mineral claims, as follows:

- Wollaston Northeast: 7 claims, 34,721 ha;
- Bentley Lake: 3 claims, 12,397 ha;
- Mozzie Lake: 3 claims, 6,908 ha, and
- Pine Channel: 1 claim (previously announced).

Charles Desjardins, CEO of Pegasus Resources, states, "We are incredibly excited to have acquired the 20A Zone uranium deposit in northern Saskatchewan and a large land position in the prolific Wollaston Domain, where recent uranium discoveries have brought renewed interest to uranium exploration. The 20A Zone has remained virtually unexplored for 50 years and now represents an opportunity to re-examine an old showing in the context of other modern uranium discoveries in and around the Athabasca Basin."

Wollaston Northeast Uranium Property

The Wollaston Northeast Property is situated outside the northeastern edge of the Athabasca Basin, about 45 km northeast of the Eagle Point Uranium Mine. The Eagle Point uranium deposits are entirely hosted by basement rocks of the Wollaston Domain.

Highlights:

- Extensive land position within the Wollaston Domain where several recent uranium discoveries have led to renewed exploration activity;
- Wollaston Domain is host to numerous mines and uranium showings such as Key Lake, Rabbit Lake, Eagle Point and others;
- Prospective for basement hosted uranium mineralization, with at least five documented uranium occurrences and at least eight known base metal showings;

- Historic exploration successfully identified numerous uranium/base metal showings, including an unresolved radioactive boulder train at Gallagher Lake with up to **0.244% U₃O₈**.

Bentley Lake Uranium Property

The Bentley Lake Property is situated approximately 35 km northeast of the edge of the Athabasca Basin. It is located at the transition zone between the Wollaston and Mudjatic geological domains.

Highlights:

- Located on the transition zone between the Mudjatic-Wollaston domains is a notable trend as several notable deposits such as Roughrider, Midwest, Cigar Lake, McArthur River and others;

Mozzie Lake Uranium Property

(20A Zone)

The Mozzie Lake Property consists of two claim blocks that are situated approximately 25 and 40 km northeast of the edge of the Athabasca Basin. It is located within the Charlebois-Higgingson Lake Uranium District.

Highlights:

- Historical resource estimate at the 20A zone with 204,200 tons at 0.119% U₃O₈ at an average width of 15.8 feet (4.8 metres), containing 535,718 pounds of uranium*.
- The mineralization is hosted within pegmatite intrusions. The pegmatite deposits of the Charlebois-Higgingson Lake Uranium District have remained largely dormant since it was first explored in the 1940's to 1960's era. There are historical references to rare-earth-element (REE)- bearing minerals in the region, including at the Pinkham Lake prospects on the Mozzie Lake property. The Company believes that a re-evaluation of the district with respect to REE mineralization should be conducted to potentially bolster the uranium potential of the project(s).

The company intends to review and compile all historical information on the properties in preparation of future exploration programs. Further information on the projects and planned exploration activities will be released in the coming weeks.

Deal Terms

A 100% interest in the four properties (one previously announced – [see news release dated October 7, 2021](#)) was acquired from a staking syndicate by reimbursing staking

costs of approximately \$35,000 and issuing 1.2 million shares of Pegasus Resources. A 2% NSR will be granted to the vendors with 1% purchasable by the Company at any time for \$1,000,000. A finder's fee of 150,000 common shares is payable on the transaction, which is subject to TSX Venture Exchange approval.

Qualified Person

The scientific and technical information contained in this news release has been reviewed and approved by Neil McCallum B.Sc., P.Geol. of Dahrouge Geological Consulting, who is a "Qualified Person" as defined in NI 43-101.

About Pegasus Resources Inc.

Pegasus Resources Inc. is a diversified Junior Canadian Mineral Exploration Company with a focus on zinc and base metal properties in North America. The Company is also actively pursuing the right opportunity in other resources to enhance shareholder value. For additional information please visit the Company at www.pegasusresourcesinc.com or contact Charles Desjardins at charles@pegasusresourcesinc.com.

On Behalf of the Board of Directors

Charles Desjardins

President and Director

Pegasus Resources Inc.

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