

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

HANNAN METALS LTD. (the “**Issuer**”)
#1305 - 1090 West Georgia Street
Vancouver, British Columbia V6E 3V7
Phone: (604) 685-9316

2. Date of Material Change

July 6, 2018

3. Press Release

The press release was released on July 9, 2018, through various approved public media and filed with the TSX Venture Exchange and the British Columbia and Alberta Securities Commissions.

4. Summary of Material Change(s)

The Issuer announced the closing of its previously announced unit private placement financing (the “**Offering**”). Under the Offering, the Issuer issued 7,370,900 units of the Issuer (the “**Units**”) at a price of Cdn\$0.15 per Unit (the “**Unit Price**”) for gross proceeds of Cdn\$1,105,635. Each Unit comprises one common share (a “**Share**”) and one common share purchase warrant (a “**Warrant**”). Each Warrant entitles the holder to purchase one additional Share of the Issuer at an exercise price of Cdn\$0.25 for a period of three years from closing of the Offering. Each Warrant is subject to a forced conversion once the shares trade above a weighted average trading price of Cdn\$0.45 per common share for any 20 consecutive trading days commencing at any time after November 7, 2018. The expiry date of the Warrants will then be 30 days from the date of issue of a news release announcing the forced conversion.

Due to the participation of certain directors of the Issuer in the Offering, the Offering is considered a "related party transaction" pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Issuer is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Insiders' participation in the Financing in reliance of sections 5.5(b) and 5.7(a) of MI 61-101. The Offering was unanimously approved by the members of the board of directors of the Issuer, with the interested directors each having declared their interest and abstaining from voting with respect to their interest therein.

The Issuer paid broker fees of Cdn\$3,000 cash commission and issued 20,000 broker warrants to an arm's length finder.

All securities issued under the Offering are subject to a four-month and one day hold period under applicable securities laws in Canada expiring on November 7, 2018. The Issuer plans to use the net proceeds to fund exploration expenditures at the Issuer's Clare Project in Ireland, as well as for general working capital and corporate purposes.

The material change report is being filed after closing of the Offering. This was necessary in order to permit the Issuer to close the Offering in a timeframe consistent with usual market practice for transactions of this nature.

5. Full Description of Material Change

See news release dated July 9, 2018, for further details

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

Not Applicable

7. Omitted Information

Not Applicable

8. Executive Officer

The following executive officer of the Issuer is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Mariana Bermudez, Corporate Secretary, telephone: (604) 699-0202

9. Date of Report

July 9, 2018