

Form 51-102F3
Material Change Report Under
National Instrument 51-102

1. Name & Address of Company

Ucore Rare Metals Inc.
210 Waterfront Drive – Suite 106
Bedford, N.S.
B4A 0H3

2. Date of Material Change

August 9, 2017

3. News Release

A news release with respect to the material change referred to in this report was issued through newswire services on August 10, 2017 and filed on the system for electronic document analysis and retrieval (SEDAR).

4. Summary of Material Change

Ucore Closes Sale / Leaseback Financing

5. Full Description of Material Change

Ucore Rare Metals Inc. (TSXV:UCU) (“Ucore” or the “Company”) is pleased to announce that it has closed its previously announced financing agreement (the “Agreement”) with Orca Holdings, LLC of Alaska (“Orca”) to sell and leaseback from Orca its SuperLig®-One MRT Rare Earth Pilot Plant (the “Pilot Plant”).

As previously announced, the Pilot Plant will be sold to Orca Holdings, LLC (“Orca”) for total proceeds to Ucore of CAD\$2.5 million (USD\$2 million) (the “Purchase Price”). Orca will subsequently lease the Pilot Plant to Ucore over a 3-year term at an annual lease rate of 15% (the “Term”). At the option of either party, the lease may be terminated upon the payout by Ucore of the Purchase Price at any time commencing the second year of the Term.

Further to the Agreement, USD\$1 million will be budgeted and set aside for payment to IBC Advanced Technologies of American Fork, Utah (“IBC”) for the balance outstanding under the joint venture agreement between IBC and Ucore to pursue rare earth separation, tailings processing and catalytic converter recycling applications.

The Board of Directors of the Company considered and reviewed the transaction over the course of two meetings held on July 18, 2017 and July 21, 2017. The transaction was unanimously approved by the Board on July 21, 2017.

Orca Holdings LLC is an insider of the Company. The insider participation constitutes a related party transaction under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (“MI 61-101”) but is exempt from the formal valuation and minority shareholder approval requirements further to paragraphs 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, as neither the fair market value of the subject matter of the transaction nor the consideration paid exceeds 25% of the Issuer’s market capitalization.

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

Not applicable

7. Omitted Information

Not applicable

8. Senior Officer

Peter Manuel
Vice President and Chief Financial Officer
Telephone: (902) 482-5214
Fax: (902) 492-0197

DATED at Bedford, Nova Scotia this 10th day of August, 2017

Ucore Rare Metals Inc.

By:

(signed) “Peter Manuel”
Vice President and Chief Financial Officer