

**Form 51-102F3
Material Change Report**

Item 1: Name and Address of Company

Cornerstone Metals Inc.
Suite 880 – 580 Hornby Street
Vancouver, BC V6C 3B6

Item 2: Date of Material Change

December 18, 2017

Item 3: News Release

News Release dated December 18, 2017 disseminated via Newsfile Corp.

Item 4: Summary of Material Change

On December 18, 2017 the Company announced that it had commenced a verification diamond drilling program on the Carlin Vanadium Project. The goal of the program is to enable the Company to upgrade the historic resource to a current resource, as well as to provide material to conduct metallurgical testwork on vanadium recoveries and investigate the presence and grade of other accompanying elements such as zinc, silver and cobalt.

In additional news, the Company announced the resignation of Jason Nickel, P.Eng. from the board of directors. Mr. Nickel has stepped down to pursue a full time operational role with a production company. The Board thanked Jason for his service to Cornerstone.

Item 5: Full Description of Material Change

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The 20 vertical hole HQ core program is designed to in-fill the existing 132 hole drill pattern that currently defines the vanadium deposit, resulting in an improved drillhole density of approximately 45m spacing. Cornerstone reported that it had already completed three core holes.

The Carlin Vanadium Project contains one of the United States' largest known primary deposits of vanadium, an industrial mineral critical to industries ranging from steel to utility scale battery storage technology. The Company's analysis illustrates that the Nevada site's vanadium deposit features a combination of high-quality grade and unsurpassed accessibility.

The Company has an option to earn a 100% interest in the Carlin Vanadium Project, which has one of the largest known primary vanadium deposits in the U.S.A. The Carlin Vanadium Project is located in Elko County 22km by road (14 miles) from the town of Carlin, Nevada, and is comprised of 72 contiguous unpatented mineral claims totaling 461 hectares (1,140 acres). The Carlin Vanadium deposit was discovered by Union Carbide Corp. (UCC) in the 1960's, which completed surface mapping, trenching and 152 rotary drill holes in 11,133m (36,525 feet) of drilling. The average drill hole spacing was 60m (200ft) apart within the more densely drilled areas. Drilling indicates a zone of mineralization approximately 55m (180 feet) thick striking north-south over 1,860m (6,100ft) in length and dipping 5°-30° east and west averaging 760m (2,500ft) of down dip extent

from surface. The mineralized unit is locally exposed on surface, where it cuts topography, but mostly is found at shallow depths, commonly between 15-60m (50-200 ft) below surface.

In additional news, the Company announced the resignation of Jason Nickel, P.Eng. from the board of directors. Mr. Nickel has stepped down to pursue a full time operational role with a production company. The Board thanked Jason for his service to Cornerstone.

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

N/A

Item 7: Omitted Information

N/A

Item 8: Executive Officer

Paul S. Cowley
President, CEO and Director
Tel: (604) 340-7711

Item 9: Date of Report

December 18, 2017

"Paul Cowley"

Paul Cowley, President & CEO