

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Iconic Minerals Ltd.
Suite 303, 595 Howe Street
Vancouver, BC V6C 2T5

(“Iconic” or the “Company”)

Item 2 Date of Material Change

August 9, 2019

Item 3 News Release

A news release was disseminated by the Company on August 9, 2019 through Newsfile Corp. and filed on SEDAR.

Item 4 Summary of Material Change

On August 9, 2019, the Company entered into an agreement (the “Hercules Option Agreement”) with Great Basin Resources Inc. (“Great Basin”), Eclipse Gold Mining Corporation (“Eclipse”) and Hercules Gold USA, LLC (“HGU”), a subsidiary of Eclipse, in respect of the Hercules gold property located in Lyon County, Nevada (the “Hercules Project”).

Iconic currently holds an option (the “Existing Option”) from Great Basin to acquire a 100% interest in the Hercules Project, and owns certain exploration data relating to the Hercules Project (the “Existing Data”). Pursuant to the Hercules Option Agreement, Iconic has agreed to terminate the Existing Option and a revised minerals lease agreement assigned to Iconic by way of assignment dated October 4, 2013 (the “Lease”) and transfer to HGU the Existing Data in consideration for Eclipse: (a) making a cash payment to Iconic in the sum of CAD \$325,000 within five business days of the execution of the Hercules Option Agreement; and (b) issuing to Iconic up to an aggregate of 4 million common shares in the capital of Eclipse (the “Eclipse Shares”) over a three-year period.

Great Basin and Richard Kern may be considered “related parties” of the Company as Richard Kern, a director and the President and CEO of Iconic, owns and/or controls Great Basin and the transactions contemplated under the Hercules Option Agreement (collectively, the “Transaction”) may be a “related party transaction” under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). All of the independent directors of the Company, acting in good faith, have determined that the Transaction, if it were determined to be a related party transaction, would be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of nor the fair market value of the consideration for, the Transaction exceeds 25% of the

Company's capitalization and the Company's securities are not listed or quoted on any of the stock exchanges enumerated under Section 5.5(b) of MI 61-101.

See Item 5 for further particulars.

Item 5 Full Description of Material Change

Pursuant to the Hercules Option Agreement, Iconic has agreed to terminate the Existing Option and the Lease and transfer the Existing Data to HGU in consideration for Eclipse: (a) making a cash payment to Iconic in the sum of CAD \$325,000 within five business days of the execution of the Hercules Option Agreement; and (b) issuing to Iconic up to an aggregate of 4 million Eclipse Shares as follows:

- (A) 1 million Eclipse Shares on the date which is 10 days immediately following the date on which Eclipse's Shares become listed on a public stock exchange or stock quotation system (the "Listing Date"); and
- (B) 1 million Eclipse Shares on each of the first, second, and third anniversary dates of the Listing Date.

Under the terms of the Hercules Option Agreement, Great Basin has granted an option to HGU (the "HGU Option") under which HGU must complete certain exploration expenditures over a three-year period and make cash payments to Great Basin.

In the event that HGU fails to exercise the HGU Option in accordance with the Hercules Option Agreement, Iconic may elect to receive an assignment of HGU's rights and benefits under the Hercules Option Agreement and to assume certain of HGU's remaining obligations under the Hercules Option Agreement as may be outstanding at such time. The term of the HGU Option is the earlier of the date of exercise of the HGU Option, the termination of the Hercules Option Agreement or 12 years from the Listing Date.

The Hercules Project is not a material property of Iconic as its focus since 2016 has been on its Bonnie Claire lithium project. Accordingly, termination of the Existing Option and the Lease and the Data Transfer has no material effect on the Company's business and affairs. The cash payment and potential receipt of Eclipse Shares pursuant to the Hercules Option Agreement will enable the Company to continue its work on its lithium projects, pursue other corporate endeavors and continue to participate indirectly in the future of the Hercules Project should Eclipse complete a listing on a public stock exchange and continue its work on the Hercules Project thereafter.

Great Basin and Richard Kern may be considered "related parties" of the Company as Richard Kern, a director and the President and CEO of the Company, owns and/or controls Great Basin and the Transaction contemplated under the Hercules Option Agreement may be a "related party transaction" under MI 61-101. No change in the percentage of securities of the Company beneficially owned or controlled by Mr. Kern has occurred or will occur as a result of the Transaction.

The directors of Iconic have determined that the Transaction, if it were determined to be a "related party transaction", would be exempt from the formal valuation requirements

under section 5.4 of MI 61-101 as the Company's securities are not listed or quoted on any of the stock exchanges enumerated therein and the minority shareholder approval requirements under section 5.6 of MI 61-101 in reliance on the exemption set forth in section 5.7(a) of MI 61-101.

Resolutions of the board of directors were passed in accordance with the *Business Corporations Act* (British Columbia) by all of the independent directors of Iconic on August 9, 2019 approving the Transaction and the Hercules Option Agreement. Mr. Kern disclosed the nature and extent of his interest in the Transaction and the Option Agreement and abstained from voting on all resolutions in respect of the Transaction and the Hercules Option Agreement.

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

Not applicable.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

Richard Barnett, Chief Financial Officer Phone: (604) 718-2800

Item 9 Date of Report

August 19, 2019