

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Abasca Resources Inc. (“**Abasca**” or the “**Company**”)
#208 - 311 4th Ave N.
Saskatoon, SK S7K 2L8

Item 2 Date of Material Change

June 21, 2023

Item 3 News Release

A news release dated June 22, 2023 was disseminated to the TSX Venture Exchange and through various other approved public media and filed on SEDAR with applicable securities commissions

Item 4 Summary of Material Change(s)

The Company engaged Red Cloud Securities Inc. (“**Red Cloud**”) to provide market making services to the Company (the “**Agreement**”) in compliance with the policies of the TSX Venture Exchange (“**TSX-V**”) and applicable securities legislation. The Company closed the \$1,000,000 non-brokered private placement of 2,000,000 units of the Company (the “**FT Units**”) at a price of \$0.50 per FT Unit (the “**Offering**”), as previously announced in its news release of May 30, 2023.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company engaged Red Cloud to provide market making services to the Company in compliance with the policies of the TSX-V and applicable securities legislation.

Under the Agreement, the Company will pay Red Cloud \$5,000 per month during the initial three-month term. The term of the Agreement can be extended upon 30 days’ written notice from Abasca. The Company and Red Cloud have an arm’s length relationship, but Red Cloud and/or its clients may have an interest, directly or indirectly, in the securities of Abasca. The Agreement is principally for the purposes of maintaining market stability and liquidity for the Company's common shares. It is not a formal market making agreement and no performance factors are contained in the Agreement. Red Cloud will not receive any shares or options from the Company as compensation for the services that it will render.

The Company closed the \$1,000,000 non-brokered private placement of 2,000,000 FT Units at a price of \$0.50 per FT Unit, as previously announced in its news release of May 30, 2023. Each FT Unit consisted of one common share of the Company issued as a flow-through share within the meaning of the *Income Tax Act* (Canada) and one-half of one

common share purchase warrant (each whole warrant, a “**Warrant**”), each Warrant entitling the holder thereof to purchase one non-flow-through common share of the Company at a price of \$0.60 per share for a period of 24 months expiring on June 21, 2025. All securities issued in connection with the Offering have a four-month hold period expiring on October 22, 2023.

A corporation controlled by Dawn Zhou, a director of the Company, subscribed for the full Offering and acquired 2,000,000 FT Units. Ms. Zhou is a “related party” within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators (“**MI 61-101**”) and the Offering thereby constituted a “related party transaction” under MI 61-101. The Company is exempt from the formal valuation requirement pursuant to subsection 5.5(b) of MI 61-101 on the basis that the securities of the Company are listed or quoted on the TSX-V. The Company is also exempt from the minority approval requirement pursuant to subsection 5.7(1)(b) of MI 61-101 on the basis that: (i) the common shares of the Company are listed on the TSX-V; (ii) at the time the transaction was agreed to, neither the fair market value of the FT Units distributed under the Offering nor the consideration to be received for those FT Units, insofar as the transaction involves the related party, exceeds \$2,500,000; (iii) the Company has more than one independent director; and (iv) at least two-thirds of the directors of the Company approved the Offering.

Prior to the Offering, Dawn Zhou owned, directly and indirectly, and exercised control over, 29,389,788 common shares of the Company, 1,875,000 share purchase warrants and 850,000 stock options, representing approximately 65.12% of the issued and outstanding common shares of the Company, on a partially diluted basis. Upon completion of the Offering, Ms. Zhou owns, directly and indirectly, and exercises control over, 31,389,788 Common Shares, 2,875,000 share purchase warrants and 850,000 stock options, representing approximately 67.71% of the issued and outstanding common shares of the Company on a partially diluted basis.

Dawn Zhou disclosed her interest in the Offering to the Company and, as a director of the Company, abstained from voting on the approval thereof as it relates to her subscription.

No finders’ fees were paid with respect to the Offering.

The gross proceeds of \$1 million received from the sale of the FT Units will be used for exploration programs on the Company’s Key Lake South Uranium Project.

This material change report does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the “**1933 Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration is available.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

None.

Item 8 Executive Officer

Dawn Zhou, M.Sc, CPA, CGA
President and Chief Executive Officer
dawnzhou.csit@sasktel.net
Tel: +1 (306) 933 4261

Item 9 Date of Report

June 29, 2023

Forward-Looking Statements

This material change report may contain certain forward-looking information and statements ("forward-looking information") within the meaning of applicable Canadian securities legislation, that are not based on historical fact, including without limitation statements containing the words "believes", "anticipates", "plans", "intends", "will", "should", "expects", "continue", "estimate", "forecasts" and other similar expressions. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. Abasca undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of Abasca, its securities, or financial or operating results (as applicable). Although Abasca believes that the expectations reflected in forward-looking information in this material change report are reasonable, such forward-looking information has been based on expectations, factors and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond Abasca's control, including the risk factors discussed in the Filing Statement which are incorporated herein by reference and are available through SEDAR at www.sedar.com. The forward-looking information contained in this material change report are expressly qualified by this cautionary statement and are made as of the date hereof. Abasca disclaims any intention and has no obligation or responsibility, except as required by law, to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.