

**MATERIAL CHANGE REPORT
FORM 51-102F3**

Item 1. Reporting Issuer

Barksdale Capital Corp. (the "**Company**")
Suite 610 – 815 West Hastings Street
Vancouver, B.C.
V6C 1B4

Item 2. Date of Material Change

June 10, 2019

Item 3. Press Releases

June 11 and 14, 2019 – disseminated via ACCESSWIRE.

Item 4. Summary of Material Change

The Company has arranged a non-brokered private placement with Teck Resources Limited ("**Teck**") to purchase 3,409,795 common shares of the Company at a price of C\$0.46 per share for a total investment of C\$1,568,506. Upon closing of the placement, Teck will own approximately 8% of the issued and outstanding common shares of the Company (on a non-diluted basis).

As part of its subscription, Teck will receive the following rights for so long as it owns more than 5% of the issued and outstanding common shares of the Company:

- An equity participation right to maintain its pro-rata equity ownership interest in the Company, and
- A right of first refusal on the sale or other disposition of all or part of the Company's 4 Metals project in Santa Cruz, County, Arizona.

In conjunction with the placement, Osisko Gold Royalties Ltd. has exercised its existing equity participation right to purchase a total of 606,928 common shares of the Company at a price of C\$0.46 per share for a total investment of C\$279,187 to maintain its equity ownership interest in the Company at approximately 15.1% (on a non-diluted basis).

On June 13, 2019, the Company completed the first tranche of the private placement with Teck. All shares issued to Teck under the first tranche are subject to a 4 month hold period expiring October 14, 2019.

The second tranche of the placement with Osisko is anticipated to close in due course.

Item 5. Full Description of Material Changes

The Company has arranged a non-brokered private placement consisting of a total of 4,016,723 common shares of the Company (the "**Shares**") at a price of C\$0.46 per Share for a total financing of C\$1,847,694 (the "**Financing**").

Teck Resources Limited ("**Teck**") has agreed to purchase a total of 3,409,795 Shares under the Financing for gross proceeds of C\$1,568,506. Following the Financing, Teck will own approximately 8.0% of the issued and outstanding common shares of the Company on a non-diluted basis.

As part of its subscription, Teck will also receive the following rights for so long as it owns more than 5% of the issued and outstanding common shares of the Company:

- the right to participate in future equity or equity linked offerings by the Company to maintain its pro-rata equity ownership interest in the Company from time to time, subject to certain exceptions, and
- a right of first refusal with respect to any proposed third party sale, option, lease or other disposition, directly or indirectly, of all or any portion of the Company's 4 Metals project in Santa Cruz County, Arizona.

In conjunction with the Financing, Osisko Gold Royalties Ltd. ("**Osisko**") has exercised its existing equity participation right to purchase a total of 606,928 Shares of the Company at a price of C\$0.46 per share for a total investment of C\$279,187 to maintain its equity ownership interest in the Company at approximately 15.1% (on a non-diluted basis).

The net proceeds from the Financing will be used to advance the Company's mineral projects, including the Sunnyside project in Santa Cruz County, Arizona, and for general corporate and working capital purposes. The Financing is subject to receipt of necessary regulatory approvals including the acceptance of the TSX Venture Exchange (the "**TSXV**").

On June 13, 2019, the Company completed the first tranche of 3,409,795 Shares under the Financing with Teck for gross proceeds of C\$1,568,506. All shares issued to Teck under the first tranche are subject to a 4 month hold period expiring October 14, 2019.

The second tranche of the Financing with Osisko is expected to close in due course.

Osisko's participation in the Financing constitutes a "related party transaction" for the purposes of TSXV policy and Multilateral Instrument 61-101, *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), and the Company has relied upon exemptions from the requirements to obtain a formal valuation and seek minority shareholder approval for the Financing on the basis that the fair market value of Osisko's participation in the Financing is less than 25% of the Company's current market capitalization.

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

N/A

Item 7. Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

Item 8. Senior Officers

To obtain further information contact Rick Trotman, Chief Executive Officer, at (778) 588 - 7145.

Item 9. Date of Report

June 19, 2019.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This material change report includes "forward-looking information" under applicable Canadian securities legislation including, but not limited to, the Financing and the expected closing date of the second tranche and anticipated use of proceeds thereof. Such forward-looking information reflects management's current beliefs and are based on a number of estimates and assumptions made by and information currently available to the Company that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Readers are cautioned that such forward-looking information are neither promises nor guarantees, and are subject to known and unknown risks and uncertainties including, but not limited to, general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, actual results of exploration activities, environmental risks, future prices of base metals, operating risks, accidents, labor issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry. There are no assurances that the Company will successfully complete the second tranche of the Financing with Osisko on the terms set out herein or at all. All forward-looking information contained in this material change report is qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at www.sedar.com. Accordingly, readers should not place undue reliance on forward-looking information. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.