

Form 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

Oceanic Iron Ore Corp. ("**Oceanic**" or the "**Company**")
3083-595 Burrard Street,
Vancouver, British Columbia V7X 1L3

Item 2. Date of Material Change

September 26, 2022

Item 3. News Release

A news release announcing the material change was disseminated on September 26, 2022 and a copy was subsequently filed on SEDAR.

Item 4. Summary of Material Change

On September 26, 2022, the Company completed a non-brokered financing in an aggregate amount of \$1,220,000 (the "**Financing**"), following the original announcement of the Financing on September 8, 2022. The subscribers to the Financing were issued Series D convertible debentures (the "**Debentures**") which will earn interest at a rate of 8.5% per annum over a 60-month term (the "**Term**"), payable quarterly in cash or common shares in the capital of the Company ("**Common Shares**"), at the election of the Company, at the market price of the Common Shares at the time of settlement.

The Company also announced that it entered into agreements with holders of the Company's previously issued Series A convertible debentures (the "**Series A Debentures**") to replace the Series A Debentures with new debentures (the "**Replacement Debentures**") maturing on September 26, 2027.

The Company also announced that it amended the Company's previously issued Series B and C convertible debentures (the "**Series B and C Debentures**"). The terms of the amended Series B and C Debentures (the "**Amendments**") are the same as the Series B and C Debentures, other than the accrued interest payable under the amended Series B and C Debentures may be settled in cash or Common Shares quarterly, at the election of the Company, at the market price of the Common Shares at the time of settlement.

5. Full Description of Material Change

On September 26, 2022, the Company completed the Financing, following the original announcement of the Financing on September 8, 2022.

The subscribers to the Financing were issued the Debentures which will earn interest at a rate of 8.5% per annum over the Term, payable quarterly in cash or Common Shares, at the election of the Company, at the market price of the Common Shares at the time of settlement.

The principal amount of the Debentures will be convertible to units (each a "**Unit**") during the Term at the election of the subscriber. The conversion price during the first year of the term is \$0.07 per Unit, increasing to \$0.10 per Unit for the remainder of the Term. Each Unit will consist of 1 Common Share and 1 common share purchase warrant of the

Company, with each whole warrant entitling the holder to purchase one Common Share at a price of \$0.07 per Common Share for a period of 5 years after closing of the Financing.

The Debentures are secured with a first ranking charge at any time against the assets of the Company, ranking pari-passu with the current secured debenture holders and holders of the Replacement Debentures.

The Company intends to use the proceeds of the Financing for ongoing negotiations with potential strategic partners, general claims maintenance, and corporate and working capital purposes.

The Debentures and any Units acquired on conversion thereof are subject to a hold period expiring on January 26, 2023. No finder's fees were paid in connection with the Financing.

Replacement of Existing Series A Debentures

The Company also announced that it entered into agreements with holders of the Company's previously issued Series A convertible debentures (the "**Series A Debentures**") to replace the Series A Debentures with new debentures (the "**Replacement Debentures**") maturing on September 26, 2027.

The Series A Debentures were convertible to units (each a "**Series A Unit**") at the election of the holder at a price of \$0.10 per Series A Unit. Each Series A Unit consists of 1 Common Share and 1 common share purchase warrant of the Company, with each whole warrant entitling the holder to purchase one common share of the Company at a price of \$0.10 per Common Share.

The terms of the Replacement Debentures are the same as the Series A Debentures, other than (i) the conversion price during the first year of the term is \$0.07 per Unit, increasing to \$0.10 per Unit for the remainder of the term; (ii) the warrant exercise price will be \$0.07; (iii) the maturity date, which is September 26, 2027; and (iv) accrued interest payable under the Replacement Debentures may be settled in cash or Common Shares quarterly, at the election of the Company, at the market price of the Common Shares at the time of settlement.

Amendments to Existing Series B and C Debentures

The Company also announced that it amended the Company's previously issued Series B and C convertible debentures (the "**Series B and C Debentures**"). The terms of the amended Series B and C Debentures (the "**Amendments**") are the same as the Series B and C Debentures, other than the accrued interest payable under the amended Series B and C Debentures may be settled in cash or Common Shares quarterly, at the election of the Company, at the market price of the Common Shares at the time of settlement.

MI 61-101 - Protection of Minority Security Holders in Special Transactions

Insiders of the Company were issued Debentures with a principal amount in aggregate of \$1,145,500, and, accordingly, the private placement is a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The issuance of Debentures to insiders is exempt from the valuation requirements and the minority approval requirements of MI 61-101 by virtue of the exemptions in sections 5.5(a) and 5.7(a) of MI 61-101, since the fair market value of the consideration for the Debentures issued to insiders did not

exceed 25% of the Company's market capitalization. The Company did not file a material change report 21 days prior to the expected closing date of the Financing as the participation of insiders of the Company had not been confirmed at that time.

Sirocco Advisory Services Ltd., a corporation controlled by Steven Dean, Chairman and a director of the Company, was issued a Debenture with a principal amount of \$296,000. Chris Batalha, an executive officer of the Company, was issued a Debenture with a principal amount of \$171,000. Gordon Keep, a director of the Company and Fiore Management & Advisory Corp., a corporation controlled by Gordon Keep were issued Debentures with principal amounts of \$46,000 and \$95,000, respectively. John Reynolds, a director of the Company, was issued a Debenture with a principal amount of \$12,500. Bing Pan, an executive officer of the Company, was issued a Debenture with a principal amount of \$16,000. Sestini & Co. Pension Trustees Ltd., an investment account controlled by Frank Giustra, an insider of the Company, was issued a Debenture with a principal amount of \$205,000. Beedie Investments Ltd., a corporation in which Ryan Beedie, an insider of the Company, has an interest, was issued a Debenture with a principal amount of \$304,000.

The issuance of the debentures will not change the percentage of Common Shares beneficially owned or controlled by any of the insiders unless the Debentures are subsequently converted.

The Financing was considered and approved by the board of directors of the Company. There was no materially contrary view by any director approving the Financing. The directors who participated in the Financing disclosed their interest in the transaction and abstained from voting on the resolutions authorizing the respective subscriptions in which they had an interest.

Item 6. Reliance on subsection 7.1(2) 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

The name and business number of the executive officer of the Company who is knowledgeable of the material change and this report is:

Chris Batalha
Chief Financial Officer
Tel: 1-604-566-9080

Item 9. Date of Report

September 29, 2022