

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

**1. Name and Address of Company**

Bonterra Resources Inc. (the “Company” or “Bonterra”)  
2872 Sullivan Rd, Suite 2  
Val-d’Or QC  
J9P 0B9

**2. Date of Material Change**

December 9, 2020

**3. News Release**

A press release disclosing the material change was released on December 9, 2020, through the facilities of Newsfile Corp.

**4. Summary of Material Change**

Company announced that it has closed the first tranche of the non-brokered private placement previously announced on November 23, 2020 and December 3, 2020 for up to gross proceeds of \$15 million (the “Offering”). In this first tranche, the Company raised aggregate gross proceeds of \$12,270,375 (the “First Tranche”) from the sale of 10,669,891 common shares of the Company (the “Shares”) at a price of \$1.15 per Share.

As part of the Offering, the Company will pay Finders' fees of \$305,750.

The Shares issued in the First Tranche of the Offering are subject to a statutory hold period expiring on April 10, 2021. A second and final closing of the Offering is expected to take place on or around December 15, 2020. The Offering remains subject to final acceptance by the TSX Venture Exchange.

**5. Full Description of Material Change**

The material change is fully described in the Company’s press release which is attached as Schedule “A” and is incorporated herein.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”).

**(a) a description of the transaction and its material terms:**

4,000,000 Shares in the Offering were beneficially or indirectly acquired by insiders of the Company on December 9, 2020 on the same terms as other participants in the Offering.

**(b) the purpose and business reasons for the transaction:**

The net proceeds of the Offering will be used to fund drilling campaigns at Bonterra's Moroy, Gladiator and Barry projects and to prepare a resource estimate update and a Preliminary Economic Assessment ("PEA") on these three projects and for general working capital purposes. The PEA is expected to be completed in the fall of 2021. Along with a total of 124,000 m drilled since the 2019 resource estimates on the Moroy, Gladiator and Barry projects as well as the bulk sample at Moroy, the Company expects these initiatives to help demonstrate the value of the Company's assets.

**(c) the anticipated effect of the transaction on the issuer's business and affairs:**

See 5 (b)

**(d) a description of:**

**(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:**

Insiders of the Company beneficially or directly acquired a total of 4,000,000 Shares on December 9, 2020 in connection with the Offering as follows:

<b>Subscriber</b>	<b>No. of Shares</b>
Wexford Catalyst Trading Limited	1,400,000
Wexford Spectrum Trading Limited	2,600,000

**(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:**

After completion of the First Tranche of the Offering, the Shares beneficially owned or controlled by funds managed by Wexford Capital LP, an investment firm controlling over 10% of the Shares of the Company, is 16,599,783 Shares or 18.83% of the outstanding Shares of the Company.

**(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

On November 10, 2020, the Company established a special committee of independent directors to evaluate strategic alternative transactions, including the Offering. The special committee unanimously approved the terms of the Offering prior to the initial announcement by the Company on November 23, 2020. The special committee subsequently reviewed market demand for the Offering against the Company's planned 2021 exploration program, and on December 2, 2020 unanimously approved the upsizing of the Offering to \$15 million.

**(f) A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

**(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

**(i) that has been made in the 24 months before the date of the material change report:**

Not applicable.

**(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

**(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Funds managed by Wexford Capital LP entered into subscription agreements with the Company in connection with its subscription for Shares on the same terms as other subscribers under the Offering.

**(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

The Offering constitutes a “related party transaction” for the Company under MI 61-101. No formal valuation on the part of the Company is required under MI 61-101, in respect of the participation of the insiders in the Offering. The Company is relying on the exemptions from the formal valuation and minority approval requirements under MI 61-101. The Company is exempt from the formal valuation requirement of MI 61-101 based on section 5.5(b) of MI 61-101 as no securities of the Company are listed or quoted for trading on the Toronto Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ stock market or any other stock exchange outside of Canada and the United States other than the Alternative Investment Market of the London Stock Exchange or the Plus operated by Plus Markets Group plc. Additionally, the Company is exempt from obtaining minority shareholder approval in connection with the Offering by relying on section 5.7(1)(a) of MI 61-101, on the basis that the fair market value (as determined under MI 61-101) of the related party transactions does not exceed 25% of the Company’s market capitalization.

As this material change report is being filed less than 21 days before the completion of the Offering, there is a requirement under MI 61-101 to explain why the shorter period was reasonable or necessary in the circumstances. In the view of the Company, such shorter period was reasonable and necessary in the circumstances as the Company wished to complete the Offering in a timely manner, and all investors under the Offering participated on the same terms.

**(j) Disclosure for Restructuring Transactions**

Not applicable.

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

The report is not being filed on a confidential basis.

**7. Omitted Information.**

No significant facts have been omitted from this Material Change Report.

**8. Executive Officer.**

For further information, contact Pascal Hamelin, President and CEO of the Company at (819) 825-8678.

**9. Date of Report.**

This report is dated at Val-d'Or, this 9<sup>th</sup> day of December, 2020.

**BONTERRA RESOURCES INC.**

Per: "Pascal Hamelin" (Signed)  
Pascal Hamelin, President and CEO