

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

BeMetals Corp. (the “Company”)
Suite 3123 – 595 Burrard Street
Vancouver, BC V7X 1J1

Item 2 Date of Material Change

July 19, 2018 and July 23, 2018

Item 3 News Release

The Company issued two new releases which were disseminated through Canada News Wire on July 19, 2018 and July 24, 2018 and filed on SEDAR with the securities commissions of British Columbia and Alberta.

Item 4 Summary of Material Change

On July 19, 2018, the Company closed its non-brokered private placement (the “**Private Placement**”) of 11,200,000 common shares at a price of \$0.20 per share for gross proceeds of \$2,240,000.

On July 23, 2018, the Company completed its qualifying transaction (the “**Qualifying Transaction**”) under the policies of the TSX Venture Exchange (the “**Exchange**”) with regards to an agreement to acquire up to a 72.5% interest in a copper project in the Zambian Copperbelt in Zambia, Africa (the “**Pangeni Copper Project**”). In connection with the Qualifying Transaction, the Company filed a filing statement and an independent technical report on SEDAR. BeMetals common shares graduated from the NEX to Tier 2 of the Exchange and trading in the common shares of the Company resumed on the Exchange at market open on Wednesday, July 25, 2018 under its symbol “BMET”.

Item 5 Full Description of Material Change

Private Placement

On July 19, 2018, the Company closed its upsized Private Placement of 11,200,000 common shares of the Company at a price of \$0.20 per share for gross proceeds of \$2,240,000, an increase from the previously announced \$2,000,000 proposed offering. The net proceeds will be used to advance the exploration of the Pangeni Copper Project located on the western extension of the Zambian Copperbelt (further details below) and for working capital purposes, including to conduct due diligence reviews on additional base metals projects. All of the common shares issued under the Private Placement are subject to a hold period expiring November 20, 2018. In connection with the private placement, finder’s fees of \$81,000 were paid in cash.

Pursuant to the Private Placement and other private transactions, Clive Johnson (a director of the Company) and related entities have acquired 500,000 common shares of the Company and disposed of 6,000,000 common shares of the Company. Mr. Johnson acquired 500,000 common shares directly in the Private Placement, representing 0.74% of the issued and outstanding common shares of the Company. Mr. Johnson directly and 392611 BC Ltd. (a company controlled by Mr. Johnson) each disposed of 3,000,000 common shares of the Company in private transactions representing in aggregate 8.82% of the issued and outstanding shares of the Company. Mr. Johnson decreased his position in order for other directors and key advisers to acquire a larger stake in the Company which further aligns their interests with those of the shareholders of

the Company. Following these transactions, Mr. Johnson retains 11.54% ownership of the Company through direct and indirect ownership and/or control, over an aggregate of 7,850,000 common shares of the Company and would own 12.51% on a partially diluted basis, assuming the exercise of his 750,000 incentive stock options. Mr. Johnson acquired and disposed of these securities for investment purposes and may in the future acquire or dispose of securities of the Company, through the market, privately or otherwise, as circumstances or market conditions warrant.

Qualifying Transaction

In February 2018, further to a November 2017 letter agreement, the Company confirmed the agreement (the “**Agreement**”) with Copper Cross Zambia Limited and its parent company Manica Zambia Limited (together the “**Vendor**”) to acquire up to a 72% interest in the Pangen Copper Project located on the western extension of the Zambian Copperbelt. The initial 67.5% interest can be acquired by the Company paying US\$300,000 cash, issuing a total of 500,000 common shares, incurring US\$2.5 million in exploration work, all prior to the second anniversary, and then completing a preliminary economic assessment and making a further cash payments of US\$1,150,000 prior to the fifth anniversary. The Company may acquire an additional 4.5% interest by funding a feasibility study on the project and making a further cash payment of US\$750,000. The US\$2.5 million to be spent on exploration work is an obligation under the Agreement and must either be satisfied by expenditures on exploration activities or by cash payments to the Vendor. The Company completed the Qualifying Transaction and received final approval from the Exchange on July 23, 2018. 100,000 common shares were issued to the Vendor on closing of the Qualifying Transaction.

After giving effect to the Qualifying Transaction and the Private Placement, there are 68,098,577 common shares of the Company outstanding on a non-diluted basis and 73,618,577 common shares outstanding on a fully diluted basis. Of these, an aggregate 15,538,574 common shares, of which 14,930,000 are held by Principals of the Company, will be held in escrow and will be released from escrow as follows: 10% upon issuance of the Exchange bulletin granting final approval for the Transaction (the “**Final Bulletin**”); 15% on the date that is six months after the date of the Final Bulletin; 15% on the date that is 12 months after the date of the Final Bulletin; 15% on the date that is 18 months after the date of the Final Bulletin; 15% on the date that is 24 months after the date of the Final Bulletin; 15% on the date that is 30 months after the date of the Final Bulletin; and 15% on the date that is 36 months after the date of the Final Bulletin.

Following the Qualifying Transaction, the board of directors remains comprised of John Wilton, Clive Johnson, Roger Richer, Tom Garagan, and Kristen Reinertson. Mr. Wilton continues as the Company’s President and CEO and Ms. Reinertson as the Company’s CFO and Corporate Secretary.

BeMetals common shares graduated from the NEX to Tier 2 of the Exchange and trading in the common shares of the Company resumed on the Exchange at market open on Wednesday, July 25, 2018 under its symbol “BMET”.

Readers are referred to the filing statement of BeMetals dated July 18, 2018 which was prepared in accordance with the requirements of the Exchange and filed under the Company’s issuer profile on SEDAR at www.sedar.com.

Independent Technical Report

An independent technical report (the “**Technical Report**”) has been completed by African Mining Consultants Limited in accordance with the requirements of National Instrument 43-101 and filed under the Company’s issuer profile on SEDAR at www.sedar.com. The Technical Report supports the geological merits of the property, and its prospectivity for the discovery of copper deposits. Final planning of exploration activities is advanced, and the field program will be initiated, soonest, upon closing of the Qualifying Transaction.

Pangeni Copper Exploration Project & Work Program

The Pangeni Copper Project is located on the western extension of the Zambian Copperbelt, within the Lufilian Arc, underlain by Katangan Supergroup metasediments which are covered by a thin veneer of Kalahari sands. The Sentinel, open pit, Copper Mine is operated by First Quantum Minerals some 130 kilometres to the northeast of the Pangeni Copper Project. A number of other major international mining companies have identified this region of the Zambian Copperbelt to be prospective for the discovery of tier one copper mines and are conducting exploration field work.

The Technical Report concludes the Pangeni Copper Project remains at an early exploration stage with only five boreholes having been completed to date (three boreholes at the Central Target and two at the Southwest Target). All five holes intersected hypogene copper mineralisation. The most significant intersections included borehole CT1: 6.1m @ 0.34%TCu (*from 39m depth*) and borehole SW1: 5.5m @ 0.48%TCu (*from 142.5m depth*). At the Central Target the drilling results indicate there is associated anomalous cobalt with the copper intersections, CT1 returning: 6.1m @ 320ppm Co (*for the same copper intersection as quoted above*). These boreholes results provide encouraging proof of concept for the geological models generated for the property, and support the strategy for further exploration.

The Pangeni Copper Project property is geologically prospective for the following deposit types; Basement-hosted Cu (analogues: the Lumwana Deposit, Nyungu Prospect), Sediment-hosted stratiform Cu-Co (analogues: Nchanga, Konkola, Nkana, and Mufulira Deposits), the Domes Region Deposits e.g. Sentinel, and Kansanshi and DRC Copperbelt Deposits e.g. Lonshi, Frontier, Kamo-a-Kakula).

The next phase of exploration work will include the drilling of air-core boreholes (approximately 40-50m deep) to test for potential, geochemical anomalies, associated with mineralised extensions to the Central and Southwest Targets, under Kalahari Group cover units. In addition initial priority targets, identified during previous exploration programs, are to be tested. An orientation air-core program will be completed to test the applicability of this technique in this specific area. This program will total approximately 2,400m of air-core drilling. Based upon an assessment of applicability of this drilling method in the area, and results from the air-core geochemical sampling further exploration will be motivated as appropriate.

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

Not Applicable

Item 7 Omitted Information

Not Applicable

Item 8 Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this Report:

Kristen Reinertson, CFO & Corporate Secretary, (604) 609-6118

Item 9 Date of Report

August 2, 2018