

FORM 51-102F3

MATERIAL CHANGE REPORT

**Item 1. Name and Address of Company**

**SKARB EXPLORATION CORP.**  
Suite 970, 1055 West Hastings Street  
Vancouver, BC V6E 2E9

**Item 2. Date of Material Change**

October 9, 2020

**Item 3. News Release**

The news release was issued on October 9, 2020 and was disseminated by The Newswire and filed on SEDAR.

**Item 4. Summary of Material Change**

Vancouver, British Columbia (October 9, 2020) – Skarb Exploration Corp. (“**Skarb**” or the “**Company**”) (**CSE: SKRB**) is pleased to announce that, further to the Company’s news release dated August 25, 2020, it has entered into a definitive asset purchase agreement dated October 9, 2020 with Petratherm Limited (“Petratherm”) (ASX: PTR) pursuant to which Skarb will, subject to certain conditions, acquire certain gold projects located in Victoria, Australia from Petratherm (the “Transaction”). The Transaction will constitute a within the meaning of the policies of the Canadian Securities Exchange

**Item 5. Full Description of Material Change**

The Company is pleased to announce that, further to the Company’s news release dated August 25, 2020, it has entered into a definitive asset purchase agreement dated October 9, 2020 (the “Asset Purchase Agreement”) with Petratherm Limited (“Petratherm”) (ASX: PTR) pursuant to which Skarb will, subject to certain conditions, acquire certain gold projects located in Victoria, Australia (the “Projects”) from Petratherm (the “Transaction”). The Transaction will constitute a “Fundamental Change” within the meaning of the policies of the Canadian Securities Exchange (the “Exchange”).

**About the Projects**

The Projects consist of (a) one exploration license and three exploration license applications known as the Silver Spoon Orogenic Gold, the Yuengroon Orogenic Gold Project, and the Ballarat West Gold Project, respectively (collectively, the “Petratherm Tenements”) and (b) Petratherm’s right, title and interest (the “JV Interest”) in a mining and joint venture agreement (the “JV Agreement”) dated July 7, 2020 among Petratherm, Cape Clear Minerals Pty Ltd. and Predictive Discovery Limited (the “JV Owners”) for the Glenfine Gold Project.

Pursuant to the JV Agreement, the JV Owners have an option (the “Pre-Emption Right”), exercisable within 15 business days after receiving a formal disposal notice from Petratherm, to acquire the JV Interest upon the same terms as the Transaction.

**Terms of the Transaction**

Pursuant to the Asset Purchase Agreement, the Company will acquire the Projects in exchange for the issuance of an aggregate 100,000,000 common shares of the Company (each, a “Consideration Share”) at a deemed price of \$0.18 per share. If the Pre-Emption Right is exercised by the JV Owners, the Company will only acquire the Petratherm Tenements and the number of Consideration Shares will be reduced to 50,000,000.

Pursuant to the policies of the Exchange, the Transaction requires approval of the shareholders

of the Company (the "Shareholder Approval"). The Company intends to obtain the Shareholder Approval by way of written consent of the holders of the majority of the common shares in the capital of the Company.

### **Conditions to Completion of the Transaction**

Completion of the proposed Transaction is subject to a number of conditions precedent, including, but not limited to, (i) acceptance by the Exchange and receipt of other applicable regulatory approvals; (ii) receipt of the Shareholder Approval; (iii) receipt of consent of the JV Owners (which, pursuant to the JV Agreement, may not be unreasonably withheld or delayed), and (iv) completion by Skarb of a private placement for gross proceeds of at least \$4,000,000. There can be no assurance that the Transaction will be completed as proposed or at all.

### **About Skarb Exploration**

Skarb Exploration (soon to be re-named and operate as Outback Goldfields) is a gold exploration company acquiring assets in the historic high-grade, low-cost mining district of Victoria, Australia.

The Company has entered into a letter of intent to acquire a package of highly prospective properties adjacent and in the vicinity of Kirkland Lakes Fosterville Gold Mine and a Newmont Gold's recently purchased land claims in Victoria, Australia. The company was founded by Craig Parry who has an enviable track record of delivering shareholder value.

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

Not applicable.

**Item 7. Omitted Information**

None.

**Item 8. Executive Officer**

**Chris Donaldson**  
Chief Executive Officer

**Item 9. Date of Report**

October 9, 2020