

MATERIAL CHANGE REPORT

1. Name and Address of Company:

Canadian Premium Sand Inc. ("CPS" or the "Company")
400, 522 - 11th Avenue SW
Calgary, AB T2R 0C8

2. Date of Material Change:

June 15, 2021

3. News Release

The news release announcing the material change was released on June 16, 2021 through a recognized news wire service and subsequently filed on the System for Electronic Document Analysis and Retrieval.

4. Summary of Material Change:

On June 15, 2021, the Company completed an upsized, non-brokered private placement (the "Offering"). Pursuant to the Offering, the Company issued an aggregate of 20,799,200 common shares (the "Common Shares") at a price of \$0.25 per Common Share for gross proceeds of \$5,199,800.

5. Full Description of Material Change:

5.1 Full Description of Material Change

On June 15, 2021, the Company completed the Offering. Pursuant to the Offering, the Company issued an aggregate of 20,799,200 Common Shares at a price of \$0.25 per Common Share for gross proceeds of \$5,199,800. After giving effect to the Offering, the Company has 42,043,660 common shares issued and outstanding.

The Company's two significant shareholders and certain directors, officers and contractors and their respective associates participated in the Offering. On a combined basis they subscribed for an aggregate of 8,330,700 Common Shares for \$2,082,675.

In accordance with the policies of the TSX Venture Exchange and in connection with the Offering, the Company paid an aggregate of \$78,700 in finder's fees to certain arms-length parties.

The net proceeds of the Offering will be used to fund the initial phase of the Front-End Engineering and Design for a glass manufacturing facility in the greater Winnipeg area, initiate permitting applications and other key activities to progress the business plan, as well as for general working capital purposes.

The Common Shares were distributed in certain Canadian jurisdictions in reliance upon exemptions set forth in National Instrument 45-106 - *Prospectus Exemptions*. The Common Shares issued in the Offering are subject to a statutory hold period expiring October 16, 2021.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and accordingly may not be offered or sold within the United States or to "U.S. persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act ("U.S. Persons"), except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This material change report does not constitute an offer to sell or a solicitation of an offer to buy any of the Company's securities to, or for the account of benefit of, persons in the United States or U.S. Persons.

The issuances of Common Shares to insiders pursuant to the Offering will also be considered related party transactions within the meaning of TSXV Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). CPS relied on exemptions from the formal valuation and minority approval requirements in sections 5.5(c) and 5.7(b) of MI 61-101 in respect of such insider participation on the basis that neither the fair market value of the securities to be distributed in the Offering nor the consideration to be received for those securities, in so far as the Offering involved the Insiders, exceeded \$2,500,000. The Company has at least one independent director and all independent directors of the Company approved the Offering.

The table below sets out the shareholdings of the insiders that participated in the Offering prior to and following completion of the Offering on a non-diluted basis:

Name	Shareholdings prior to the Offering		Shareholdings following the Offering	
	Number	Percentage	Number	Percentage
Paramount Resources Ltd.	2,759,394	12.99%	6,759,394	16.08%
Glenn Leroux	24,880	0.12%	164,880	0.39%
Lowell Jackson	711,955	3.35%	961,955	2.29%
Rodrigo Sousa	33,333	0.16%	244,033	0.58%
Richard Williams	199,083	0.94%	399,083	0.95%
Kluskus Holdings Ltd. /John Assman	1,422,088	6.69%	1,672,088	3.98%

In connection with the Offering, the insiders that participated in the Offering entered into a subscription agreement with the Company containing customary provisions and on the same terms as the arm's length subscribers to the Offering.

The Company did not file a material change report more than 21 days before the expected closing of the Offering as the details of the Offering and the participation therein by related parties of the Company were not settled until shortly prior to closing of the Offering and the Company wished to close on an expedited basis for sound business reasons and in a timeframe consistent with usual market practices for transactions of this nature.

Disclaimer for Forward-Looking Information

Certain statements in this material change report related to the business prospects of the Company and the use of proceeds of the Offering are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These

statements generally can be identified by the use of forward-looking words such as "may", "should", "will", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements in this material change report include statements involving the use of net proceeds under the Offering and statements regarding the Company's business plan and the timing thereof. Such statements are qualified in their entirety by the inherent risks and uncertainties in manufacturing and mining industry in general and such other factors outlined in the Company's continuous disclosure documents available on SEDAR at www.sedar.com, which are beyond the control of the Company. Such forward-looking statements should therefore be construed in light of such factors, and the Company is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

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

Glenn Leroux
 President and Chief Executive Officer
 Telephone: 587.355.3714

9. Date of Report:

June 24, 2021