

Form 51-102F3
Material Change Report

Item 1. NAME AND ADDRESS OF ISSUER

Blackheath Resources Inc. (the "**Issuer**")
#306 – 850 West Hastings Street
Vancouver, British Columbia V6C 1E1

Item 2. DATE OF MATERIAL CHANGE

July 19, 2017

Item 3. NEWS RELEASE

Issued July 19, 2017 and distributed through the facilities of Marketwired.

Item 4. SUMMARY OF MATERIAL CHANGE

The Issuer announced that it has closed its previously announced non-brokered private placement. The Issuer raised gross proceeds of \$362,000 through the issuance of a total of 7,240,000 units at a price of \$0.05 per unit (a "**Unit**").

Item 5.1 FULL DESCRIPTION OF MATERIAL CHANGE

The Issuer raised gross proceeds of \$362,000 through the issuance of a total of 7,240,000 Units at a price of \$0.05 per Unit. Each Unit is comprised of one common share of the Issuer and one transferable common share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to purchase one additional common share of the Issuer at an exercise price of \$0.10 per share for a period of 36 months from the date the Warrants were issued, unless, if the closing price of the Issuer's common shares on the TSX Venture Exchange (the "**Exchange**") (or such other stock exchange, quotation system or market on which such shares are then listed) is \$0.18 or higher for 10 consecutive trading days, then the Warrants will expire at 4:00 p.m. (Pacific Time) on the date that is the later of (a) the 30th day after the last day of such 10 day period, and (b) the 10th day after the date on which the Issuer delivers notice in writing to the subscribers that the Warrants will expire.

The Issuer paid cash finders' fees totalling \$5,700 and issued 114,000 finders' warrants exercisable on the same terms as the Warrants.

The Issuer intends to expend the proceeds raised from the private placement on exploration of its tungsten projects in northern Portugal and for general working capital purposes.

The private placement included the following subscriptions from "related parties" of the Issuer, as defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"): Alexander Langer, an officer of the Issuer indirectly through his company Andros Capital Corp., acquired 300,000 Units; James Robertson, a director of the Issuer, acquired 500,000 Units; Kerry Spong, a director and officer of the Issuer, acquired 300,000 Units; and David Rokoss, a director of the Issuer, acquired 100,000 Units. The issuance of Units to these parties did not result in a material change in the percentage of securities of the Issuer held by these parties.

The issuance of Units to the related parties in the private placement was a “related party transaction” under MI 61-101. The directors of the Issuer, excluding James Robertson, Kerry Spong and David Rokoss, determined that the private placement was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to the exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 on the basis that at the time the private placement was agreed to, neither the fair market value of the securities to be distributed in the private placement nor the consideration to be received for those securities, insofar as the private placement involved the Interested Parties, exceeded 25% of the Issuer's market capitalization.

The Issuer did not file a material change report more than 21 days before the expected closing of the private placement as the details of the private placement and the participation therein by related parties of the Issuer were not settled until shortly prior to closing and the Issuer wished to close the private placement on an expedited basis for sound business reasons.

Item 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTIONS

Not applicable.

Item 6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

Item 7. OMITTED INFORMATION

There are no significant facts required to be disclosed herein which have been omitted.

Item 8. EXECUTIVE OFFICER

Contact: Alexander Langer, Chief Executive Officer
Telephone: (604) 684-3800

Item 9. DATE OF REPORT

July 19, 2017