FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Critical Elements Corporation (the "Company")
1080 Cote du Beaver Hall, Suite 2101
Montreal, QC, Canada
H2Z 1S8

Item 2. Date of Material Change

December 2, 2014

Item 3. News Release

A new release was issued by the Company on December 2, 2014 through the facilities of Marketwire and concurrently filed on SEDAR on December 2, 2014.

Item 4. Summary of Material Change

Closing of a private placement for an amount of $300,000 (first closing).

Item 5. Full Description of Material Change

The Company announced that it has closed the first tranche of a non-brokered private placement, for an amount of $300,000.

The Company has issued 1,200,000 units of common shares at a price of $0.25 per share for gross proceeds of $300,000. Each unit consists of one common share priced at $0.25 and one half of one purchase warrant. Each whole purchase warrant entitles the holder thereof to purchase one common share of the Corporation for a period of 36 months at a price of $0.35 per share.

The Company paid EMD Financial Inc. and Marquest Capital Markets intermediary fees of $24,000, along with 96,000 compensation options entitling their holders to purchase 96,000 common shares of the Company at a price of $0.35 per share for a 36-month period following the closing of the private placement.

All the securities issued under the private placement are subject to a mandatory hold period of four months plus one day following the closing of the private placement.

The proceeds of this private placement will be used for working capital.

The private placement is subject to regulatory approval.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7. Omitted Information

N/A

Item 8. **Executive Officer**

Jean-Sébastien Lavallée
President & CEO
(819) 354-5146

Item 9. **Date of Report**

December 3, 2014