

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Cerro Grande Mining Corporation (the "**Company**")
3800-200 Bay Street, Royal Bank Plaza, South Tower
Toronto, Ontario M5J 2Z4

2. Date of Material Change

January 30, 2018 and February 5, 2018.

3. News Release

The news releases attached hereto as Schedule "A" and Schedule "B" announcing the material changes described herein were released through Canada News Wire Group in Toronto, Ontario on January 30, 2018 and February 9, 2018.

4. Summary of Material Change

The Company announced on January 30, 2018 that a cease-trade order ("CTO") had been issued by the Ontario Securities Commission because the Company had failed to file its annual financial statements for the year ended September 30, 2017 and related documentation (collectively, the "Annual Financial Information") as required by applicable securities laws. The Company made a further related announcement on February 9, 2018 that the Canadian Securities Exchange had suspended trading of the Company's shares listed thereon as a result of the CTO. The material changes are further described in the Company's news releases attached hereto as Schedule "A" and Schedule "B", which are incorporated in this report.

5. Full Description of Material Change

5.1 Full Description of Material Change

See Item 4.

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 following is the name and telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Stephen W. Houghton
Chief Executive Officer
56-22-569-6244
ceg@cegmining.com

9. Date of Report

February 9, 2018.

SCHEDULE "A"

Cerro Grande Mining Corporation Reported today that it has been Issued a Cease Trade Order by the Ontario Securities Commission

TORONTO, Jan. 30, 2018 /CNW/ - Cerro Grande Mining Corporation (the "Company" or "CEG") (CSE:CEG) (OTCQB:CEGMF) reported today that it has been issued a Cease Trade Order (CTO) by the Ontario Securities Commission for failure to file its:

- Annual financial statements for the year ended September 30, 2017;
- Management's discussion and analysis relating to the annual financial statements for the year ended September 30, 2017; and
- Certification of the foregoing filings as required by the National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings.

If the default is remedied within 90 days of the date of the CTO, including any annual or interim financial statements, MD&A and certifications that subsequently became due, the filing of the documents constitutes the application to revoke the CTO and no application fee is required under Appendix C of OSC Rule 13-502 Fees, except for late document fees in accordance with Appendix D of OSC Rule 13-502.

The Company expects that it will complete the filing of its year ended September 30, 2017 Financial Statements and its MD&A for the year ended September 30, 2017 and the filing as required by National Instrument 52-109 by the end of February, 2018 or within the 90 days of the CTO.

Cerro Grande Mining Corporation is a minerals exploration and development company with properties and activities currently focused in Chile.

Cautionary Statement on Forward-looking Information:

This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to the future financial or operating performance of CEG. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CEG to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this press release based on current expectations and beliefs and CEG disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

For further information: Stephen W. Houghton, CEO, David R. S. Thomson, EVP, E-Mail: ceg@cegmining.com, Telephone: 56-2-2569 6224, Website: www.cegmining.com

SCHEDULE "B"

News Release

CERRO GRANDE MINING CORPORATION

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Telephone: 56-2-2569 6224
Website: www.cegmining.com

FOR IMMEDIATE RELEASE – February 9, 2018

Cerro Grande Mining Corporation Reported that it has Received a Cease Trade Order from the Canadian Securities Exchange

Cerro Grande Mining Corporation (the "Company" or "CEG") (CSE:CEG) (OTCQB:CEGMF) announces that, further to its announcement on January 30, 2018 that a Cease Trade Order ("CTO") had been issued by the Ontario Securities Commission for failure to file its annual financial statements for the year ended September 30, 2017 and related documentation (collectively, the "Annual Financial Information") as required by applicable securities laws, the Canadian Securities Exchange ("CSE") has suspended trading of the Company's shares listed thereon. The Company anticipates that it will file the Annual Financial Information by the end of February, 2018 or within 90 days of the date of CTO in order to lift the CTO and to resume trading on the CSE.

Cerro Grande Mining Corporation is a minerals exploration and development company with properties and activities currently focused in Chile.