

FORM 51-102F3

MATERIAL CHANGE REPORT UNDER SECTION 7.1(1) OF NATIONAL INSTRUMENT 51-102

1. **Name and Address of Company**

Cerro Grande Mining Corporation (the “Company” or “CEG”)
1 King Street West, Suite 4009, Toronto, Ontario, Canada, M5H 1A1.

2. **Date of Material Change**

August 26, 2022.

3. **News Release**

The news release attached hereto as Schedule “A” announcing the material change described herein was released through GlobeNewswire in Toronto, Ontario on August 29, 2022.

4. **Summary of Material Change**

As described in the news release attached hereto as Schedule “A” (which news release is incorporated herein), CEG announced that it had appointed Matthew Thomson to the Board of Directors of the Company effective August 26, 2022 following the recent passing of William Hill who, until then, had been a longtime director of the Company.

5. **Full Description of Material Change**

5.1 Full Description of Material Change

See Item 4 above and the news release attached hereto as Schedule “A”.

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.

Peter Hogg
Chief Financial Officer and interim Chief Executive Officer
56-2-2569 6224
ceg@cegmining.com

9. **Date of Report**

August 29, 2022.

SCHEDULE "A"

News Release



CERRO GRANDE MINING CORPORATION

FOR IMMEDIATE RELEASE – August 29, 2022

Cerro Grande Mining Corporation Announces its Third Fiscal Quarter ended June 30, 2022 results compared to the same period in 2021 and appointment of a new Director.

Toronto, Ontario, Canada – Cerro Grande Mining Corporation (the “Company” or “CEG”) (CSE:CEG) reported its unaudited results for the third fiscal quarter ended June 30, 2022 compared to the same quarter in 2021. These financial statements and MD&A have been filed on SEDAR and the Company refers the reader to those materials for additional information.

We sadly announce the passing away of our director Mr. William Hill in Rockwood, Ontario on August 15, 2022 who loyally and devotedly served the Company as such for over 15 years. Bill will be deeply missed. Effective August 26, 2022, the Company appointed Mr. Matthew S. Thomson as a director of the Company. Mr. Thomson is the son of the late David R. S. Thomson, a former director and founder of the Company, and is an insider of the Company by virtue of his ownership level in the Company’s common shares, as previously reported. Mr. Thomson resides in Santiago, Chile. He is very knowledgeable of the Company’s Pimentón property through his involvement with Minera Tamidak Limitada which, as previously reported, has entered into a lease agreement with the Company enabling Minera Tamidak Limitada to carry out certain exploration and extraction activities for mineral substances limited to the existing tailings pond at the Company’s Pimentón Project. Mr. Thomson intends to serve as a director until the next annual general meeting of the Company to be held in March 2023.

Cerro Grande Mining Corporation is an 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.

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