

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Corporation:

Eco Oro Minerals Corp. (the "**Corporation**")
Suite 300, 1055 W. Hastings St.
Vancouver, British Columbia
V6E 2E9

Item 2 Date of Material Change:

July 31, 2017

Item 3 News Release:

A news release announcing the material change was disseminated through the facilities of CNW on August 1, 2017 and a copy was filed on the Corporation's profile at www.sedar.com.

Item 4 Summary of Material Change:

On July 31, 2017, the Corporation entered into a comprehensive settlement agreement (the "**Agreement**") with, *inter alia*, thirteen shareholders representing approximately 66.3% of the issued and outstanding common shares of the Corporation (the "**Shares**") entitled to vote at the upcoming annual general and special meeting of shareholders (the "**2017 Meeting**"). The transactions contemplated by the Agreement (the "**Transactions**") will, upon their implementation, resolve all outstanding litigation relating to the Corporation's board composition, investments by Trexs Investments, LLC ("**Trexs**") and other shareholders and the 2017 Meeting.

Item 5 Full Description of Material Change:

Description of Transaction and its Material terms

The Corporation entered into the Agreement pursuant to which, among other things, a new five member board of the Corporation has been constituted that is comprised of the nominees of Trexs, David Kay and Anna Stylianides ("**Stylianides**"), the nominees of Courtenay Wolfe, Harrington Global Opportunities Fund and Harrington Global Limited (together with Courtenay Wolfe, the "**Shareholder Group**"), Courtenay Wolfe and Peter McRae, and an independent director, Lawrence Haber, selected by the Shareholder Group and Trexs pursuant to the terms of the Agreement (the "**New Board**"). David Kay and Courtenay Wolfe have been named co-executive chairs of the New Board. The Corporation will seek approval of the New Board at the 2017 Meeting (which will be held no later than September 30, 2017), at which meeting shareholders will also be asked to consider and approve resolutions (the "**Resolutions**") in respect of the following:

- a plan of arrangement under the *Business Corporations Act* (British Columbia) that will, subject to compliance with applicable securities laws, result in shareholders (other than persons (the "**CVR Holders**") currently holding contingent value rights ("**CVRs**")) having the opportunity to acquire 19.45% of the outstanding CVRs following implementation of the matters to be approved at the 2017 Meeting (or CVRs entitled to 14.1% of the gross proceeds of the arbitration claim against the Republic of Colombia (the "**Arbitration Claim**")) for an aggregate purchase price

of US\$1.11 million (the “**Proposed Arrangement**”). Pursuant to the Proposed Arrangement, (i) up to 17.17% of the CVRs, in aggregate, that were issued by the Corporation to CVR Holders, will effectively be made available for purchase by persons (other than CVR Holders) who are shareholders as of the record date for the 2017 Meeting and entitled to vote in respect of such meeting (the “**CVR Acquiring Shareholders**”), and (ii) additional CVRs representing 2% of the gross proceeds of the Arbitration Claim shall be made available by the Corporation to the CVR Acquiring Shareholders;

- an amendment to the Management Incentive Plan of the Corporation effective as of January 13, 2017 (the “**MIP**”) to, among other things, reduce the cash retention amount pool from 7% to 5% of the total gross proceeds of the Arbitration Claim and make amendments to ensure that other participants (including current or former employees, consultants or directors of the Corporation) may benefit from the MIP (collectively the “**MIP Amendment**”);
- certain amendments to various agreements that shall permit the implementation of the Transactions, including an amendment (the “**Note Amendment**”) to the terms of the notes issued on November 9, 2016 (the “**Convertible Notes**”) to ensure that the CVR Holders will be entitled to acquire sufficient Shares to enforce the provisions of the Agreement if a material breach of the Agreement occurs;
- appointment of auditors; and
- reconfirmation of the amended and restated incentive share option plan of the Corporation.

Under the terms of the Agreement, the 2017 Meeting must be completed and all Resolutions (including approval of the New Board) must be approved by shareholders by no later than November 10, 2017 (the “**Outside Date**”) with certain exceptions related to, among other things, delays in obtaining all necessary regulatory approvals that are outside of the Corporation’s control. The Proposed Arrangement will also require final approval from the Supreme Court of British Columbia. Failure to timely approve the Resolutions will result in the termination of the Agreement and the Proposed Arrangement.

Other key terms of the Agreement include:

- David Kay and Courtenay Wolfe acting as co-chairs of the 2017 Meeting;
- standstill in respect of all pending litigation between the Corporation and shareholders relating to the matters being settled (the “**Litigation**”), and all such Litigation will be dismissed following the 2017 Meeting and approval of all Resolutions;
- shareholders who are party thereto agreeing to support the New Board and vote in favour of certain other matters until the conclusion of the Corporation’s 2022 annual general meeting;
- formation of an Arbitration and Budget Committee of the New Board comprised of David Kay and Courtenay Wolfe;
- covenants by the New Board that future financings should, if possible, be structured to enable all shareholders to participate on a *pro rata* basis;
- payment of the fees and expenses of the Shareholder Group and certain other

shareholders in connection with the Litigation, as well as the fees and expenses of certain counsel in connection with the implementation of the Transactions;

- each of the Corporation, Amber Latin America, LLC ("**Amber**"), PFR Gold Master Fund Ltd. ("**Paulson**"), Stylianides and Trexs agreed to take such steps as are required so as to, no later than two (2) business days following the date that all Resolutions are approved at the 2017 Meeting, rescind the conversion of the Convertible Notes held by them and which were converted in part on March 16, 2017 (the "**Partial Conversion**") which resulted in the issuance of 10,600,000 Shares (the "**New Shares**") and reinstate and reissue that portion of the Convertible Notes originally converted and that existed immediately prior to the issuance of the New Shares (collectively, the "**Note Rescission**");
- confirmation that the options to purchase Shares issued to directors and executives on May 8, 2017 will not be exercisable until following the completion of the 2017 Meeting, and, upon approval of all Resolutions, all such options shall terminate and cease to exist; and
- temporary waiver by Trexs of all existing and future defaults and events of default under the relevant investment documents until the earliest of (i) implementation of the Proposed Arrangement, (ii) November 10, 2017 (or in certain circumstances December 31, 2017) or (iii) termination of the Agreement, with such temporary waiver automatically becoming a permanent waiver of any such defaults upon the implementation of the Proposed Arrangement.

Purpose and Business Reasons for the Transaction / Anticipated Effect of the Transaction on the Corporation

The Transactions are intended to, upon their implementation, resolve all outstanding litigation relating to the Corporation's board composition, investments by Trexs and other shareholders and the 2017 Meeting.

Interest in the Transaction of Related Parties and Interested Parties and the Effect on their Securities

Each of Trexs, Amber, Paulson and Stylianides were, at the time the Agreement was entered into, insiders of the Corporation and are therefore considered "related parties" and "interested parties" (each as defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**")) of the Corporation and, as a result of each of their involvement in the Note Amendment, the Note Amendment is considered a "related party transaction" (as defined in MI 61-101).

Under the terms of the Agreement, each of Trexs, Amber, Paulson and Stylianides will:

- benefit from the Note Amendment;
- participate in the Proposed Arrangement in their capacity as CVR Holders required to make a portion of their CVRs available for purchase by CVR Acquiring Shareholders; and
- rescind the Partial Conversion in accordance with the Note Rescission.

In addition, Paul Robertson, Hubert Marleau, Derrick Weyrauch and Kevin O'Halloran (each of whom is considered an "interested party") as well as other directors, officers, employees and consultants of the Corporation may benefit from the MIP Amendment if

they are ultimately granted any awards under the MIP.

Following implementation of the Transactions the New Shares held by Amber, Paulson, Stylianides and Trexs will be cancelled in connection with the Note Rescission such that their shareholdings will be reduced by approximately 5.4 percentage points in the aggregate and their holdings of Convertible Notes will be increased by US\$4,721,258 in the aggregate (which increase will not have a material effect on the percentage of the Convertible Notes held by such persons and will return their holdings in the Convertible Notes back to the number of Convertible Notes held prior to the Partial Conversion)

Exemption from Formal Valuation

During the previous 24 months, no prior valuations have been made in respect of the Corporation relating to the Convertible Notes, CVRs or Shares which would require disclosure in accordance with section 6.8 of MI 61-101.

The Corporation is relying on the Fair Market Value Not More Than 25% of Market Capitalization exemption under MI 61-101 from the requirement therein to obtain minority approval in connection with the Note Amendment pursuant to section 5.7(a) of MI 61-101, as the value of the Convertible Notes (calculated in accordance with section 5.7) in so far as they involve "interested parties" (as defined in MI 61-101) does not exceed 25 percent of the Corporation's market capitalization (as defined in MI 61-101). The Corporation is not required to prepare a valuation in respect of the Note Amendment pursuant to section 5.4(1) of MI 61-101 as the Note Amendment is a related party transaction described in paragraph (h) or (l) of the definition of "related party transaction".

Item 6 Reliance on Section 7.1(2) of National Instrument 51-102:

Not applicable.

Item 7 Omitted Information:

Not applicable.

Item 8 Executive Officer:

For further information, please contact:

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Item 9 Date of Report:

August 4, 2017