

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Eco Oro Minerals Corp.
Suite 300 – 1055 West Hastings Street
Vancouver, B.C. V6E 2E9

(the “**Company**” or “**Eco Oro**”)

2. Date of Material Change

February 26, 2019

3. News Release

The Company issued a press release in respect of the material change disclosed in this report through the facilities of GlobeNewswire on February 26, 2019.

4. Summary of Material Change

On February 26, 2019, Eco Oro entered into an investment and backstop agreement (the “**Investment Agreement**”) with Trexs Investments, LLC (“**Trexs**”), pursuant to which Trexs and other Eligible CVR Holders (as defined below) are entitled to participate in a private placement (the “**Private Placement**”) for aggregate gross proceeds of up to US\$35,000,000. Pursuant to the terms of the Investment Agreement, the proceeds of the Private Placement will be used to, among other things, repay all outstanding obligations owing by the Company to Trexs under its previously announced US\$15,190,000 secured term loan (the “**Loan**”) and for general corporate purposes, including working capital needs.

5. Full Description of Material Change

The Company and Trexs entered into the Investment Agreement on February 26, 2019. Under the Investment Agreement, holders (“**Existing CVR Holders**”) of the Company’s previously issued contingent value rights certificates (“**Existing CVRs**”) who are eligible to participate in the Private Placement on a prospectus exempt basis (“**Eligible CVR Holders**”) will be entitled to participate in the Private Placement on a *pro rata* basis as set out in the Investment Agreement. Trexs will backstop any portion of the Private Placement that Eligible CVR Holders do not subscribe for and purchase.

Under the terms of the Investment Agreement, the Private Placement will be completed in two tranches:

- a “First Tranche” for aggregate proceeds of US\$28,000,000, consisting of (i) US\$13,000,000 of contingent value rights certificates (the “**New CVRs**”) and, together with the Existing CVRs, the “**CVRs**”), and (ii) US\$15,000,000 of unsecured 0.025% interest-bearing promissory notes due June 30, 2028 (the “**New Notes**”); and
- a Second Tranche” consisting of up to US\$7,000,000 of unsecured 10% interest-bearing promissory notes due June 30, 2028 (the “**10% Notes**”) and, together with the New Notes and \$9,672,727.30 of existing unsecured 0.025% interest-bearing notes due June 30, 2028, the “**Notes**”).

The First Tranche will include (i) an “Initial Subscription”, pursuant to which Eligible CVR Holders will be entitled to acquire their *pro rata* share of the New CVRs and New Notes, and (ii) a “Supplemental Subscription”, pursuant to which Eligible CVR Holders who subscribe for their full *pro rata* allocation of the First Tranche will be entitled to subscribe for the unallocated portion of the First Tranche on a *pro rata* basis. It is currently anticipated that the Initial Subscription will close on or about April 3, 2019 and the Supplemental Subscription will close on or about April 24, 2019.

Eligible CVR Holders who subscribe for their full *pro rata* allocation of the First Tranche will also be entitled to participate in the Second Tranche on a *pro rata* basis. Under the terms of the Private Placement, the 10% Notes issued in the Second Tranche will compound and capitalize annually and be issued in increments of not less than US\$1,000,000 in the aggregate upon majority approval by the Company’s board of directors (the “**Board of Directors**”).

Following completion of the Private Placement, any proceeds from the Corporation’s arbitration proceedings against the Republic of Colombia (the “**Claim Proceeds**”) will be distributed in accordance with the “Distribution Waterfall” described in Section 8 of the Investment Agreement, in the following order of priority (in each case to the extent that the amount of Claims Proceeds is sufficient):

1. in full repayment of any accrued and unpaid default interest, fees, expenses or indemnity obligations in respect of the CVRs and the Notes;
2. in full repayment of all obligations, liabilities and indebtedness (including all principal, interest, fees and other amounts) under the Notes;
3. to holders of CVRs and eligible participants in the Company’s Management Incentive Plan (the “MIP”), in an amount equal to the lesser of (i) US\$460,000,000 and (ii) their maximum aggregate entitlements to the Claim Proceeds under the CVRs and the MIP;
4. to the Company, US\$30,000,000 which may be used for, among other things, distributions to common shareholders of the Company;
5. to holders of CVRs and eligible participants in the MIP, until aggregate distributions equal their maximum aggregate entitlements to the Claim Proceeds under the CVRs and the MIP; and
6. to the Company, the balance for, among other things, distributions to common shareholders of the Company.

Closing of the Initial Subscription, the Supplemental Subscription and each call of the Second Tranche are subject to customary closing conditions, as set out in more detail in the Investment Agreement. A copy of the Investment Agreement has been filed under the Company’s SEDAR profile at www.sedar.com.

In arriving at its decision to approve the Investment Agreement and the Private Placement, the Board of Directors took into account, among other things, the recommendation of the Special Committee of independent directors formed to review and consider financing alternatives. In order to assist with this process, the Special Committee engaged Ernst & Young Orenda Corporate Finance Inc. as financial advisor and McCarthy Tétrault LLP as special counsel. With the advice of its financial and legal advisors, the Special Committee conducted a thorough

process and considered a number of options, including alternative financing transactions proposed by third party investors as a result of a competitive financing process conducted under the supervision of the Special Committee with the assistance of its advisers. Following this review process, the Special Committee determined that the Private Placement is the best available option in the circumstances of the Company for repaying the Loan and meeting the Company's capital needs.

As certain directors and certain Existing CVR Holders who are related parties of the Company will or may be participating in the Private Placement, the transaction would ordinarily be subject to the "minority approval requirements" set forth in Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Board of Directors, including its independent members, have in good faith determined, in light of the Company's circumstances, that the Company is eligible to rely on the exemption from minority approval requirements provided by Subsection 5.7(e) of MI 61-101 on the basis that (i) the Company is in serious financial difficulty, (ii) the Private Placement is designed to improve the Company's financial position and address its financing needs and (iii) the terms of the Private Placement are reasonable in the circumstances of the Company.

6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report.

Paul Robertson, Chief Executive Officer (Interim)
Business Telephone No.: (604) 682-8212

9. Date of Report

March 8, 2019