

**51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Netco Silver Inc. (the “**Company**” or “**Netco**”)
Suite 490 – 580 Hornby Street
Vancouver, BC V6C 3B6

Item 2 Date of Material Change

August 26, 2013

Item 3 News Release

The news release was disseminated on August 23, 2013 through Stockwatch and Market News.

Item 4 Summary of Material Change

The Company’s consolidation of its common shares on a one (1) post-consolidation common share for every five (5) pre-consolidation common shares will be effective at the opening of trading on Monday, August 26, 2013.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company has received TSX Venture Exchange approval for the consolidation of its common shares on a one (1) post-consolidation common share for every five (5) pre-consolidation common shares (the “**Share Consolidation**”). The Share Consolidation will be effective at the opening of trading on Monday, August 26, 2013. The Company’s trading symbol will remain the same. Netco’s new CUSIP number is 64111T207.

See attached – News Release dated August 23, 2013.

5.2 Disclosure for Restructuring Transactions

N/A

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

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Paul Andreola, President, 604-683-7588

Item 9 Date of Report

August 27, 2013

NETCO SILVER INC.
490 – 580 Hornby Street
Vancouver, BC, Canada V6C 3B6
Tel: 604-683-7588

NEWS RELEASE

Netco Silver Announces Share Consolidation

VANCOUVER, BC – August 23, 2013, NETCO SILVER INC. (NEI: TSX-V) (“**Netco**” or the “**Company**”) is pleased to announce that it has received TSX Venture Exchange approval for the consolidation of its common shares on a one (1) post-consolidation common share for every five (5) pre-consolidation common shares (the “**Share Consolidation**”). The Share Consolidation will be effective at the opening of trading on Monday, August 26, 2013. The Company’s trading symbol will remain the same. Netco’s new CUSIP number is 64111T207.

NETCO SILVER INC.

“Paul Andreola”

Paul Andreola
President

For further information, please contact the Company at (604) 683-7588, email: info@netcosilver.com or visit Netco’s website at www.NetcoSilver.com.

This news release contains forward-looking information that involves various risks and uncertainties regarding future events. Such forward-looking information includes statements based on current expectations involving a number of risks and uncertainties and such forward-looking statements are not guarantees of future performance of the Company, and include, without limitation, statements that the Share Consolidation will be completed and that the Share Consolidation will be effective at the opening of trading on Monday August 26, 2013. There are numerous risks and uncertainties that could cause actual results and the Company’s plans and expectations to differ materially from those expressed in the forward-looking information in this news release, including without limitation, the risks and uncertainties that the Share Consolidation may not be completed as planned or at all for any reason whatsoever, and that the Share Consolidation will not become effective on the expected date. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking statements are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.