

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

St-Georges Eco-Mining Corp. (the “Company”)  
230 Notre-Dame Street West  
Montréal, Québec H2Y 1T3

**Item 2 Date of Material Change**

May 30, 2019

**Item 3 News Release**

A news release with respect to the material change referred to in this report was disseminated on May 30<sup>th</sup>, 2019 through a Canadian news wire and filed on the system for electronic document analysis and retrieval (SEDAR).

**Item 4 Summary of Material Change**

The Issuer entered into a share purchase agreement with BWA Group PLC (“BWA”), an arm’s length company listed on the NEX Exchange and incorporated under the laws of England and Wales, and the minority shareholders of Kings of the North Corp. (“KOTN”), owned at 50.18% by SX, pursuant to which BWA will acquire of all the issued and outstanding shares of KOTN for an aggregate consideration of \$7,500,000.

**Item 5 Full Description of Material Change**

The material change is fully described in the news release attached hereto.

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

Confidentiality is not requested.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Mark Billings  
Chairman

**Item 9 Date of Report**

May 31<sup>st</sup>, 2019



## ST-GEORGES ECO-MINING ANNOUNCES STRATEGIC DISPOSITION OF MINERAL ASSETS

-FOR IMMEDIATE RELEASE-

**Montreal, May 30, 2019 – St-Georges Eco-Mining Corp. (CSE: SX) (OTC: SXOOF) (FSE: 85G1)** is pleased to announce it entered into a share purchase agreement (the “SPA”) with BWA Group PLC (“BWA”), an arm’s length company listed on the [NEX Exchange](#) and incorporated under the laws of England and Wales, and the minority shareholders (the “**Minority Shareholders**”) of Kings of the North Corp. (“KOTN”), owned at 50.18% (the “**KOTN Interest**”) by SX, pursuant to which BWA will acquire (the “**Acquisition**”) of all the issued and outstanding shares of KOTN for an aggregate consideration of \$7,500,000 (approximately £4,400,000) (the “**Purchase Price**”).

Mark Billings, Chairman of SX, and President and CEO of KOTN commented: “Both Kings of the North and St-Georges are happy to have concluded this transaction with BWA. This is the first step in accessing funds to develop properly the assets that have been assembled in KOTN. We look forward to working with our new colleagues in the United Kingdom, which provides exposure of our Company to one of the largest financial markets in the world.”

At the time of closing of the Acquisition, KOTN will own a 100% beneficial interest in a suite of mineral exploration properties in the Province of Québec, other than the properties known as the Villebon, Hemlo North, and Nova Gold properties in respect of which KOTN will hold an option to acquire between 65% and 100%, upon the terms and condition detailed below.

The Purchase Price will be funded with the issuance by BWA of the sterling equivalent of \$7,500,000 unsecured, convertible interest-free loan notes (the “**Notes**”) with an initial repayment date three years after issue. The conversion terms are such that SX and its related parties cannot own more than 29% of the equity of BWA. The minimum conversion price is £0.005 per share at the time of conversion. SX will receive Notes in the principal amount of \$3,763,301.80 in exchange for the KOTN Interest.

The Acquisition is conditional upon: (i) BWA raising a minimum of £500,000 (approximately \$850,000) through the issuance of new BWA shares, BWA subscribing to \$300,000 in common shares (each a “**SX Share**”) in the capital of SX at a price equal to the 10 VWAP at the time of issue, subject to a minimum of \$0.10 per Share (the “**SX Subscription**”), and (iii) the consent of the shareholders of BWA.

Upon completion of the transaction Mr. Vilhjalmur Thor Vilhjalmsson, the President and CEO of SX will be appointed CEO and a director of BWA.

### **Concurrent Transactions**

Prior to entering into the SPA, KOTN secured the following assets and option:

- 100% interest, subject to a 3% NSR royalty, of which half may be bought back for \$3,000,000, in the Winter House property in consideration of the issuance of 7,200,000 common shares (each a “**Share**”) in the capital of KOTN (the “**WH Acquisition**”);
- Option to acquire up to an 85% interest in the Hemlo North property from Canadian Orebodies Inc., in consideration of the issuance of 1,296,976 Shares and \$750,000 in exploration expenditures on or before March 31, 2020 for an initial 50%, \$350,000 in 15% convertible notes and a further \$750,000 in exploration expenditures on or before March 31, 2021 for an additional 25%, and a final to 10% upon the delivery of a positive feasibility study;
- Option to acquire up to a 100% interest, subject to a 1.8% NSR royalty, of which half may be bought back for \$1,000,000, in the Nova Gold property from prospectors., in consideration of the issuance of 1,482,258 Shares, \$1,000,000 in exploration expenditures as follows: \$400,000 on or before August 28, 2020, and \$300,000 on or before each of August 28, 2021 and 2022, and cash payment of \$300,000 to be made on August 28, 2021 and 2022; and
- Option to acquire up to a 65% interest, subject to a 2% NSR royalty, of which 1% may be bought back for \$3,000,000, in the Villebon property from SX, in consideration of the issuance of 741,130 Shares and \$3,000,000 in exploration expenditures as follows: \$200,000 on or before May 28, 2020, \$500,000 on or before May 28, 2021, \$200,000 on or before May 28, 2021, \$1,00,000 on or before May 28, 2022, and \$1,300,000 on or before May 28, 2023.

KOTN also settled aggregate debts of \$504,000 through the issuance of 1,867,645 Shares (the “**Debt Settlement**”), and SX subscribed to 1,111,693 Shares for an aggregate subscription price of \$300,000.

All securities issued under the SX Subscription will be subject to a hold period expiring four months and one day from the date of issuance.

### **Related-party transaction**

Portions of the WH Acquisition and Debt Settlement, are considered to be a "related party transaction" for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Corporation is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Corporation is exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on sections 5.5(a) and (b) of MI 61-101 as the fair market value of each transaction is not more than the 25% of the Corporation's market capitalization, and no securities of the Corporation are listed or quoted for trading on prescribed stock exchanges or stock markets. Additionally, the Corporation is exempt from minority shareholder approval requirement in section 5.6 of MI 61-101 in reliance on section 5.7(b) as the fair market value of each transaction is not more than the 25% of the Corporation's market capitalization. The board of directors of the Corporation approved the WH Acquisition and Debt Settlement, with Frank Dumas, Frank Dumas, Neha Tally, Mark Billings, Peter Smith and Gerry Nichols having declared a conflict of interest in, and abstaining from voting on, the matters being considered.

---

ON BEHALF OF THE BOARD OF DIRECTORS

**“Mark Billings”**

Mark Billings, Chairman

**About St-Georges**

St-Georges is developing new technologies to solve the some of the most common environmental problems in the mining industry.

The Company controls directly or indirectly, through rights of first refusal, all of the active mineral tenures in Iceland. It also explores for nickel on the Julie Nickel Project & for industrial minerals on Quebec's North Shore and for lithium and rare metals in Northern Quebec and in the Abitibi region. Headquartered in Montreal, St-Georges' stock is listed on the CSE under the symbol SX, on the US OTC under the Symbol SXOOF and on the Frankfurt Stock Exchange under the symbol 85G1.

***Cautionary Statements Regarding Forward-Looking Information***

*Certain statements included herein may constitute "forward-looking statements". All statements included in this press release that address future events, conditions, or results, including in connection with the prefeasibility study, its financing, job creation, the investments to complete the project and the potential performance, production, and environmental footprint of the ferrosilicon plant, are forward-looking statements. These forward-looking statements can be identified by the use of words such as "may", "must", "plan", "believe", "expect", "estimate", "think", "continue", "should", "will", "could", "intend", "anticipate", or "future", or the negative forms thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by management in light of their experiences and their perception of historical trends, current conditions, and expected future developments, as well as other factors they believe are appropriate in the circumstances. These statements are subject to risks, uncertainties, and assumptions, including those mentioned in the Corporation's continuous disclosure documents, which can be found under its profile on SEDAR ([www.sedar.com](http://www.sedar.com)). Many of such risks and uncertainties are outside the control of the Corporation and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. In making such forward-looking statements, management has relied upon a number of material factors and assumptions, on the basis of currently available information, for which there is no insurance that such information will prove accurate. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. The Corporation is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.*

*Neither the CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.*