

MIDLANDS MINERALS CORPORATION

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Midlands Minerals Corporation
120 Adelaide Street West
Suite 2400
Toronto, Ontario
M5H 1T1

Item 2. Date of Material Changes

May 27, 2015

Item 3. News Release

Press release was disseminated on May 28, 2015, through the facilities of Marketwire, a copy of which has been filed on SEDAR.

Item 4. Summary of Material Change

Midlands Minerals Corporation (MEX: TSX-V) (“Midlands”) announced that it had entered into a definitive agreement (the “Agreement”) with Alder Resources Ltd. (ALR: TSX-V) (“Alder”), whereby Midlands will acquire all of the outstanding shares of Alder pursuant to a statutory plan of arrangement under the *Business Corporations Act* (Ontario) (the “**Arrangement**”). The Arrangement provides that Midlands will be acquiring each outstanding Alder common share in exchange for 1.81 common shares of Midlands (on a pre-consolidation basis).

Item 5. 5.1 – Full Description of Material Change

Midlands Minerals Corporation (MEX: TSX-V) (“Midlands”) announced that it had entered into a definitive agreement (the “Agreement”) with Alder Resources Ltd. (ALR: TSX-V) (“Alder”), whereby Midlands will acquire all of the outstanding shares of Alder pursuant to a statutory plan of arrangement under the *Business Corporations Act* (Ontario) (the “**Arrangement**”). The Arrangement provides that Midlands will be acquiring each outstanding Alder common share in exchange for 1.81 common shares of Midlands (on a pre-consolidation basis).

In accordance with the terms of the outstanding warrants to acquire Alder shares (each, an “**Alder Warrant**”), each holder of an Alder Warrant outstanding immediately prior to the effective time of the Arrangement will receive on subsequent exercise of such holder’s Alder Warrant, in accordance with its terms, for the same aggregate consideration payable for such warrant, 1.81 Midlands shares (on a pre-consolidation basis).

In addition, in accordance with the terms of the outstanding options to acquire Alder shares (each, an “**Alder Option**”), each holder of an Alder Option outstanding immediately prior to the effective time of the Arrangement will receive on subsequent exercise of such holder’s Alder Options, in accordance with its terms, for the same aggregate consideration payable for such option, 1.81

Midlands shares (on a pre-consolidation basis). All Alder Options will remain in good standing until their expiry.

As part of the Arrangement, it is contemplated that Alder will issue an additional 5,484,564 common shares in order to settle certain debts before completion of the Arrangement. Midlands has also agreed, subject to receipt of requisite regulatory approvals, including the approval of the TSXV, to purchase from Alder a C\$100,000 unsecured non-convertible debenture (the “**Debenture**”) bearing interest at a rate of 10% per annum. All interest is to be calculated and paid quarterly in arrears on the last business day of the quarter, with the first payment to commence on September 30, 2015. The Debenture will mature on the earlier of: (i) May 28, 2016; and (ii) the date of completion of the Arrangement. Alder has agreed to use the proceeds from the sale of the Debenture to cover immediate operating costs. A condition to completion of the Arrangement is the advance of funds by Midlands to Alder under the Debenture.

Another condition to completion of the Arrangement is that change of control payments owing to management of Alder that become due and owing be settled by way of cash after completion.

Midlands has agreed, as a condition to completion of the Arrangement to ask shareholders to increase the board of directors from five to seven and to appoint two new directors who are nominees of Alder to fill the ensuing vacancy. It is also anticipated that one existing director of Midlands will resign and will be replaced by a nominee of Alder. After completion of the Arrangement, the board of directors of Midlands will be comprised of seven directors, being four nominees of Midlands and three nominees of Alder. Midlands has also agreed, as a condition to completion of the Arrangement to ask shareholders to approve an anticipated name change and a consolidation of its common shares on the basis of one post-consolidation common share for each 10 pre-consolidation shares held. The shareholders’ meeting of Midlands is scheduled for July 9, 2015.

5.2 – Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

Stephen Gledhill
Chief Financial Officer
416-987-0857

Item 9. Date of Report

June 5, 2015