

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

**Item 1: Name and Address of Company**

Scavo Resource Corp. ("Scavo")  
909 Bowron Street  
Coquitlam, British Columbia  
V6J 7W3

**Item 2: Date of Material Change**

January 5, 2015.

**Item 3: News Release**

The news release with respect to the material change described herein was disseminated on January 5, 2015 through Stockwatch and Market News.

**Item 4: Summary of Material Change**

Scavo has determined not to proceed with the further exploration of its Purple Onion Property located in the Northwest Territories and has allowed its claims to expire.

**Item 5.1: Full Description of Material Change**

Given ongoing challenging resource markets and the difficulty of obtaining financing to fund Scavo's exploration activities, management has determined not to proceed with the further exploration of Scavo's Purple Onion Property located in the Northwest Territories and has allowed its claims to expire. Management is currently considering other value creation strategies.

**Item 5.2: Disclosure for Restructuring Transactions**

Not applicable.

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

This report is not being filed on a confidential basis.

**Item 7: Omitted Information**

Not applicable.

**Item 8: Executive Officer**

Bruno Gasbarro, Chief Financial Officer and Corporate Secretary  
Telephone: (604) 936-2701  
Email: bgasbarro@shaw.ca

**Item 9: Date of Report**

January 5, 2015.