

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. Name and Address of Company

Hemlo Explorers Inc. (the "Company")
301-141 Adelaide Street West
Toronto, Ontario M5H 3L5

2. Date of Material Change

August 25, 2020.

3. News Release

The news release was issued by the Company on August 25, 2020 through the facilities of Globe Newswire and was subsequently filed on SEDAR.

4. Summary of Material Change

On August 25, 2020, Hemlo Explorers Inc. announced that it has closed the non-brokered private placement (the "Offering") announced on August 5, 2020, which was subsequently upsized to \$3,500,000 later the same day.

5. Full Description of Material Change

5.1 Full Description of Material Change

TORONTO, August 25, 2020 – Hemlo Explorers Inc. (the "Company") (TSXV: HMLO) is pleased to announce that it has closed the non-brokered private placement (the "Offering") announced on August 5, 2020, which was subsequently upsized to \$3,500,000 later the same day.

Brian Howlett, President and CEO commented, "Management is pleased with the robust response to the Offering including the participation of its major shareholders, Northfield Capital and O3 Mining, which is part of the Osisko Group of Companies. The Company plans to use the funds to further exploration of its properties, particularly the North Limb where recent prospecting and analysis of soil and lithogeochem surveys have given the Company new and exciting drill targets."

Pursuant to the Offering, the Company issued 5,000,000 units ("Units") comprised of one common share and one-half of one common share purchase warrant (each whole warrant, a "Warrant") for aggregate gross proceeds of \$3,500,000.

The gross proceeds of the Offering will be used for the exploration and advancement of the Company's Hemlo area properties, and for general corporate purposes. Each of the securities issued under the Offering are subject to a hold period under Canadian law which will expire four months and one day from the closing date of the Offering, being December 26, 2020.

Insiders of the Company acquired an aggregate of 1,009,406 Units in the Offering, which participation constituted a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Such participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities acquired by the insiders, nor the consideration for the securities paid by such insiders, exceed 25% of the Company's market capitalization.

The Company paid finders fees in compliance with the policies of the TSX Venture Exchange and applicable securities legislation, to arm's length finders in connection with subscriptions from subscribers introduced by them, totaling \$85,142 in cash and 51,006 common shares of the Company. The Offering remains subject to final approval of the TSX Venture Exchange. Following the closing of the Offering, the Company has 27,123,823 common shares issued and outstanding.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

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

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Fraser Laschinger
Chief Financial Officer
(416) 644-1747 x2

9. **Date of Report**

August 25, 2020