

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

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

Kuya Silver Corporation (the “**Company**”)  
23<sup>rd</sup> Floor, 1177 West Hastings Street  
Vancouver, B.C., V6E 2K3

**ITEM 2 Date of Material Change:**

December 15, 2020.

**ITEM 3 News Release:**

A news release dated December 15, 2020 was distributed and subsequently filed on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

**ITEM 4 Summary of Material Change:**

On December 15, 2020 the Company completed its acquisition of S&L Andes Export SAC, the Peruvian company which owns the Bethania mine, and holds the mining concession, permits and other rights collectively known as the Bethania Project.

**ITEM 5 Full Description of Material Change:**

*5.1 – Full Description of Material Change:*

Please refer to attached press release.

*5.2 – Disclosure for Restructuring Transactions:*

Not applicable.

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

Not Applicable.

**ITEM 7 Omitted Information:**

Not Applicable.

**ITEM 8 Executive Officer:**

Further information relating to this Material Change Report may be obtained from:

Leah Hodges, Corporate Secretary  
Telephone: (604) 377-0403

**ITEM 9 Date of Report:**

DATED as of December 16, 2020.



## Kuya Silver Closes Acquisition of 100% Interest in Bethania Mine

Vancouver, BC, December 16, 2020 - Kuya Silver Corporation (CSE: KUYA) (OTCQB: KUYAF) (Frankfurt: 6MR1) (the “**Company**” or “**Kuya**”) is pleased to announce that through its indirect wholly owned Peruvian subsidiary (Kuya Peru S.A.C., formerly, Aerecura Materiales S.A.C.), it has acquired 100% of the issued and outstanding shares in the capital of S&L Andes Export S.A.C. (“**S&L**”), the Peruvian company which owns the Bethania mine, and holds the mining concession, permits and other rights (collectively, the “**Bethania Project**”).

Kuya intends to rename S&L to Minera Toro del Plata S.A.C. imminently.

The share purchase agreement disclosed in the Company’s listing statement dated October 1, 2020, to acquire an 80% interest in S&L was amended to include the purchase of the remaining 20% interest of S&L as described in the Company’s press release dated October 26, 2020 (the “**Transaction**”).

The terms for the purchase of the original 80% interest, included cash payments totaling USD\$3,500,000 and the issuance of 3,670,000 common shares in the capital of Kuya (each a “**Common Share**”) to the owners of S&L. Prior to closing, Kuya paid an aggregate of USD\$715,000 towards the purchase price.

The terms for the purchase of the remaining 20% interest, included a cash payment of USD\$1,325,000 and USD\$425,000 in Common Shares, the number of Common Shares issued was calculated on closing, using the 5-day average closing price of the Common Shares on the Canadian Securities Exchange, being CAD\$2.09 and resulted in the issuance of 259,288 Common Shares.

In total on closing to acquire 100% of S&L, Kuya paid an additional USD\$4,110,000 and issued 3,929,288 Common Shares.

The 3,929,288 Common Shares were issued to Erika Soria López, one of two of the previous owners of S&L, Kuya now has 36,270,020 Common Shares issued and outstanding. In accordance with applicable securities laws and instruments, and as a result of the Transaction, Erika Soria López has become an insider of Kuya, holding a 10.83% interest on a non-diluted basis. In addition, as part of the Transaction, Kuya agreed to appoint Erika Soria López as an advisor to the Company and will pay her USD\$5,000 per month through her consulting company, Cima Nevada S.A.C. The advisory appointment will be in effect as long as she maintains a greater than 5% equity position in Kuya.

All Common Shares issued in connection with the Transaction are subject to a four-month resale restriction expiring April 16, 2021, with 1,835,000 of the Common shares subject to an additional lockup period expiring December 15, 2021.

Kuya’s President and CEO, David Stein stated, “We are very excited to close the acquisition of our flagship asset, and to move forward with the exploration and development of the Bethania Project expansion. Now that we have legal and operational control over S&L, we intend to implement first class administrative, health and safety procedures, integral to the Bethania Project as we ramp up activities,

especially in the era of COVID-19. We expect to accelerate Kuya's activities in early 2021 and we look forward to unlocking value for all stakeholders as we make progress on the Bethania Project."

### **About Kuya Silver Corporation**

Kuya is a Canadian-based silver-focused mining company that owns the Bethania Project, which includes the Bethania mine, located in Central Peru. The Bethania mine was in production until 2016, toll-milling its ore at various other concentrate plants in the region, the Company's plan is to implement an expansion and construct a concentrate plant at site before restarting operations. The Bethania mine produced silver-lead and zinc concentrates from the run of mine material, until being placed on care and maintenance due to market conditions and lack of working capital.

### **For more information, please contact the Company at:**

Kuya Silver Corporation  
Telephone: (604) 398-4493  
[info@kuyasilver.com](mailto:info@kuyasilver.com)  
[www.kuyasilver.com](http://www.kuyasilver.com)

### **Reader Advisory**

*This news release may contain statements which constitute "forward-looking information", including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities and involve risks and uncertainties, and that the Company's future business activities may differ materially from those in the forward-looking statements as a result of various factors, including, but not limited to, fluctuations in market prices, successes of the operations of the Company, continued availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.*

*Neither the Canadian Securities Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.*