

MATERIAL CHANGE REPORT

- Item 1.** Name and Address of Company – Nexco Resources Inc. (the “Company”), 1095 West Pender Street, Suite 750, Vancouver, BC V6E 2M6
- Item 2.** Date of Material Change – August 19, 2020
- Item 3.** News Release – News Release issued August 19, 2020.
- Item 4.** Summary of Material Change – On August 19, 2020 the Company announces the consolidation of its common shares on a 2 for 1 basis as of August 21, 2020.
- Item 5.** Full Description of Material Change
- The Company announces that it will be consolidating all of the issued and outstanding common shares of the Company ("Common Shares") on the basis of one (1) post-consolidation Common Share for each two (2) pre-consolidation Common Shares (the "Consolidation").
- The Corporation's board of directors has set August 21, 2020 as the eligibility date for the Consolidation, when the Company will begin trading on a post-consolidated basis under its new CUSIP and ISIN. The Company's name and trading symbol will remain unchanged.
- The 18,428,000 Common Shares currently issued and outstanding will be reduced to approximately 9,214,000 Common Shares on a post-Consolidation basis. No fractional shares will be issued. Any fractional interest in Common Shares that is less than 0.5 of a Common Share resulting from the Consolidation will be rounded down to the nearest whole Common Share and any fractional interest in Common Shares that is 0.5 or greater of a Common Share will be rounded up to the nearest whole Common Share.
- Letters of transmittal will be mailed to registered Shareholders and registered Shareholders will be required to deposit their share certificate(s), together with the duly completed letter of transmittal, with TSX Trust Company, the Company's registrar and transfer agent. Non-registered Shareholders holding Common Shares through an intermediary (a securities broker, dealer, bank or financial institution) should be aware that the intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered Shareholders. If Shareholders hold their Common Shares through intermediaries and have questions in this regard, they are encouraged to contact their intermediaries.
- Outstanding stock options and share purchase warrants will also be adjusted by the Consolidation ratio and the respective exercise prices of outstanding options and share purchase warrants will be adjusted accordingly.
- Item 6.** Reliance on Section 7.1(2) or (3) of National Instrument 51-102 – Not applicable.
- Item 7.** Omitted Information – No significant facts remain confidential in, and no information has been omitted from, this report.
- Item 8.** Executive Officer – Mr. Zayn Kalyan, Interim CEO of the Issuer, is knowledgeable about the material change and this report. He can be contacted at (778) 938-3367.
- Item 9.** Date of Report – Dated August 19, 2020.