

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

1. NAME AND ADDRESS OF COMPANY

Highlander Silver Corp.
Suite 605 – 130 Brew Street
Port Moody, BC V3H 0E3

2. DATE OF MATERIAL CHANGE

January 18, 2022

3. NEWS RELEASE

News release dated January 19, 2022 was disseminated via The Newswire.

4. SUMMARY OF MATERIAL CHANGE

Highlander Silver Corp. (the “Company”) entered into an option agreement to acquire 100% of the 600 hectare (Ha) Politunche Property located in the prolific, silver-rich polymetallic belt of central Peru and just 15 kilometres from the Company’s flagship, Alta Victoria Project. The Company also entered into an agreement for marketing and investor relations services.

5. FULL DESCRIPTION OF MATERIAL CHANGE

See attached news release.

6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

7. OMITTED INFORMATION

Not applicable.

8. EXECUTIVE OFFICER

Ron Stewart, President and CEO
Telephone: (604) 283-7630

9. DATE OF REPORT

January 19, 2022



Highlander Silver Signs Option Agreement to Acquire 100% of the High-Grade Silver Politunche Property in Central Peru

January 19, 2022 - Vancouver, British Columbia – Highlander Silver Corp. (CSE:HSLV) (the “Company” or “Highlander”) is pleased to announce the execution of an option agreement (the “Agreement”) to acquire 100% of the 600 hectare (Ha) Politunche Property (“the Property” or “Politunche”) located in the prolific, silver-rich polymetallic belt of central Peru and just 15 kilometres from the Company’s flagship, Alta Victoria Project. The Agreement replaces the Letter of Intent entered into by Highlander and announced in a News Release on November 30, 2021.

Ron Stewart, President and CEO of Highlander commented, *“Politunche is a highly prospective and strategic addition to the company’s portfolio adding to our footprint and exploration upside in the district. Rock sampling in the field thus far has confirmed the presence of high-grade silver with significant lead-zinc and gold values. Ongoing exploration will focus on further defining the mineralized system and prioritizing targets for drill testing as soon as permits are in place. We are excited about our exploration campaign in the year ahead as we advance our efforts on both Alta Victoria and Politunche.”*

Politunche Agreement Deal Terms

The Company can earn 100% ownership of the property by:

- Making a total of US\$2,000,000 in cash payments over 4 years to the individual vendor (the “Vendor”) as follows:
 - US\$5,000 on the signing of the Letter of Intent and US\$5,000 on the execution of the Agreement (both paid);
 - US\$5,000 per month during a period of twenty-two (22) months ending November 2023;
 - US\$10,000 per month during a period of twenty-four (24) months ending November 2025;
 - A final US\$1,640,000 within forty-eight months of the execution of the Agreement; and
- Drilling a minimum of 2,500 metres.

The Property concessions are currently at the application stage, and the Vendor is in the process of registering title to the concessions. The Agreement provides the Vendor with ten (10) months to obtain title, and in the event of delay, the Company may suspend monthly option payments until such time as title is obtained. The Company will not be permitted to conduct a drill campaign or register the Property in its name until such time as title to the concessions is granted.

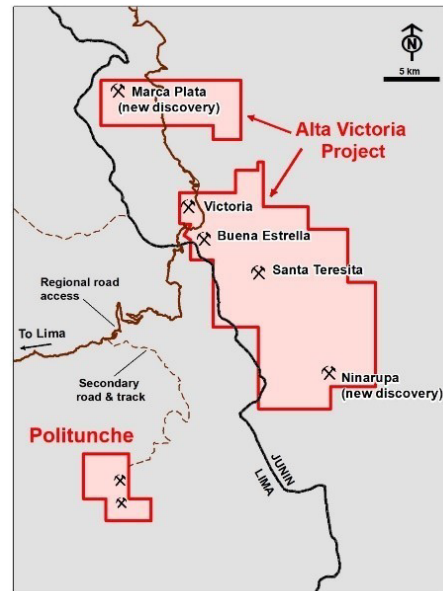
Upon completion of a Positive Feasibility Study the Company is required to make a one-time lump sum payment of US\$1,000,000 to the Vendor. The Vendor retains a 2% NSR which Highlander may buy back for US\$500,000 per 1% at its election within six (6) months on declaration of commercial production.

Highlander, at its election, can exercise the option to acquire the Property at any time within the forty-eight (48) month option period by notifying the Vendor and paying the outstanding balance owing as of the date of notification.

The Politunche Property

Politunche is located approximately 100km (map distance) northeast of Lima, Peru. The Property is road accessible via paved and improved gravel highway from Lima followed by ~20km of well maintained gravel and drill road (track). The Property consists of two (2) contiguous exploration and mining applications, Politunche (500 Ha) and Politunche 2 (100 Ha) filed with the Mining Registry in Lima.

Since signing the Letter of Intent, Highlander has spent a significant amount of time utilizing and following up historical data from work completed by a previous operator. Information available from historical work is neither complete nor, in the case of surface sampling and drill data, can be verified according to NI. 43-101 and therefore should not be relied upon.



The geology and prospectivity of the Property based on the present level of understanding can be summarized as the following:

- Previous exploration ending in 2011 included surface sampling, mapping & 11 diamond drill holes 7 of which returned mineralized intercepts. (see **Table 1** below).
- Large area of hydrothermal, argillic and quartz-sericite-pyrite alteration is intimately associated with high level, intermediate sub-volcanic domes and dikes intruding well stratified volcanoclastic rocks. Andesitic-basaltic lava flows overlie and locally cap stratified fragmental rocks.
- The mineralized system mapped and sampled by previous workers comprises dozens of individual veins and breccias over a 2km x 1.5km area.
- These high grade, Intermediate Sulfidation veins and structures often crop out and most commonly strike NE forming vein corridors up to 1km in strike length.
- Multiple, mineralized structural corridors, evident from historic work, remain untested by previous drilling
- Highlander's limited sampling to date has returned exceptional Ag grades with strong Pb-Zn and appreciable Au up to > 1.0 g/t. Previously reported results from Highlander rock grab or channel sampling include the following:

- 2019004: 879 g/t Ag, 0.89 g/t Au, 1.4% Pb, 5.4% Zn from vein material grab
- 2019006: 1,535 g/t Ag, 0.64 g/t Au, 1.53% Pb and 1.21% Zn over 0.6m
- 2019008: 511 g/t Ag, 0.11 g/t Au, 3.61% Pb, 6.53% Zn over 0.3m

Subsequent due diligence sampling has resulted in the following high-grade results:

- PTR-00001: 1,128 g/t Ag, 1.17 g/t Au, 0.34% Cu, 10.24% Pb, 8.56% Zn vein material grab
- PTR-00009: 649 g/t Ag, 0.22 g/t Au, 1.41% Pb, 1.26% Zn from 0.2m vein
- PTR-00012: 437 g/t Ag, 0.54 g/t Au, 4.25% Pb, 0.25% Zn, across 0.3m vein/structure
- PTR-00020: 398 g/t Ag, 0.18 g/t Au, 1.4% Pb, 0.28% Zn from rock chip grab.
- Conceptual targets also include potential mineralization along dome/dike margins and stratigraphic controls (mantos), as well as larger, thinly covered, structurally prepared stockwork & intrusive related, base and precious metal mineralization at depth.

Table 1: Historic drill intercepts (*Solitario Zinc Corp, SLR-TO, 2011 Annual Report*)

Drill Hole	From	To	Interval*	AgEq**	Au	Ag	Pb	Zn
	m	m	m	g/t	g/t	g/t	%	%
AZ-001	80.3	84.8	4.5	93	1.16			
	113.5	117.5	4.0	339	1.91	90.4		2.5
AZ-002	92.6	93.6	1.0	248	3.10			
	112.2	115.1	2.9	254	1.35	64.1	0.7	1.6
AZ-003	45.0	46.7	1.7	90		90.0		
	119.1	173.6	54.5	59	0.46	7.3	0.1	0.3
	123.2	128.0	4.8	117	1.46			
	165.8	168.5	2.7	280	1.80	42.9	0.8	1.8
AZ-004	30.4	31.3	0.9	274		273.9		
	166.0	171.0	5.0	135	1.40	22.6		
AZ-005	133.8	134.7	0.9	258	0.73	88.1		2.9
AZ-006	150.9	151.3	0.4	142	1.30	38		
AZ-011	29	30.3	1.3	641	7.60	32.2		

*Interval (m) refers to the reported core length and does not necessarily reflect true width.

**AgEq (Calculated by Highlander based on 3-year trailing average metal prices of \$1,650/oz Au, \$20.60/oz Ag, \$0.90/lb Pb, \$1.15/lb Zn and recovery 100%)

Additional information about Highlander and its mineral projects can be viewed on the Company's SEDAR profile at www.sedar.com and its website at www.highlandersilver.com.

Quality Control

Previously reported rock and soil samples included in this press release were delivered to ALS Laboratories, a certified laboratory located in Lima, Peru. See Highlander's November 30, 2021 news release for quality control associated with those samples.

All new rock and soil samples reported in this press release were delivered to CERTIMIN Laboratories, a certified laboratory located in Lima, Peru for preparation and analysis. Rock samples were weighed, dried, crushed to 90% <2mm and riffle split while soils were weighed, dried and screened to -180 µm. A 250g subsample was pulverized to 85% <75 µm for both rock and soil sample types. All samples were assayed using a 30g nominal weight fire assay with atomic absorption finish (Au-G0108) for gold, and 49 elements by 4-acid ICP-OESMS (method G0176R). When G0176R results were >100ppm for Ag and >10,000ppm for Pb and Zn assays were reported using four-acid digest method (G0048) and metals (Ag-G0002, Pb-G0077, Zn-G0388). When silver >1000 ppm the samples were reported using Fire Assay-gravimetric (Ag-G0008). No standards or blanks were inserted by Highlander. CERTIMIN routinely inserts certified gold, silver and base metal standards, blanks and pulp duplicates, and results of all CERTIMIN QA/QC samples are reported. The standard, blank and duplicate samples used by CERTIMIN were considered sufficient QA/QC for Highlander's sample analysis.

Qualified Person Statement

All scientific and technical information contained in this news release was prepared and approved by Ronald Stewart, P.Geo., President and CEO of Highlander Silver Corp. who is a Qualified Person as defined in NI 43-101. Mr. Stewart has verified the scientific and technical information disclosed in this news release by reviewing the sampling, analytical and drilling data from the Property, as well as reviewing and referencing published scientific papers and government assessment reports related to the Property that outline their geology and structure, mineralization potential, and deposit style.

Marketing and Investor Relations

Highlander is also pleased to announce that it has entered into an agreement with Grow Resources, Inc. ("Grow Resources"), a marketing and investor relations company run by Anne Hite. Pursuant to the agreement, Grow Resources will establish and manage a social media presence for Highlander. The engagement commenced January 18, 2022 at a cost of US\$1,000 per month, and is terminable on one month's notice. Grow Resources is located in Lakewood, Colorado and can be reached at (303) 519 5149.

About Highlander Silver Corp.

Highlander Silver Corp. is a mineral exploration company focused on the exploration of the Alta Victoria silver-polymetallic project in central Peru, as well as targeting the acquisition of additional mineral projects by leveraging the team's significant experience in Peru and South America more widely.

Neither the Canadian Securities Exchange (CSE) nor the Investment Industry Regulatory Organization of Canada (IIROC) accepts responsibility for the adequacy or accuracy of this news release.

For further information, please contact:

Ronald Stewart
Chief Executive Officer
Highlander Silver Corp.
(604) 283 7360
info@highlandersilver.com

Forward-Looking Information

Certain information contained in this news release constitutes "forward-looking information" under Canadian securities legislation. This includes, but is not limited to, information or statements with respect to anticipated payments and drilling to be completed pursuant to the terms of the Agreement, the acquisition of the Property, registration of title to the Property, the future exploration plans of the Company, costs and timing of future exploration, anticipated results of exploration, potential mineralization of the Property, potential for future acquisitions and anticipated timing of such acquisitions. Such forward looking information or statements can be identified by the use of words such as "believes", "plans", "suggests", "targets" or "prospects" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "will" be taken, occur, or be achieved. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of precious and

base metals, possible variations of ore grade or recovery rates, failure of plant, equipment, or processes to operate as anticipated, accident, labour disputes and other risks of the mining industry, and delays in obtaining, or failure to obtain, governmental approvals, registration of title to the Property, or financing, or delays in the completion of development or construction activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that could cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein are made as of the date of this news release. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, except as required by applicable securities laws. Accordingly, the reader is cautioned not to place undue reliance on forward-looking information.