

FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

*Carlyle Commodities Corp. (the "Company")
4302 – 1151 West Georgia Street
Vancouver, BC V6E 0B3*

Item 2. Date of Material Change

August 10, 2020

Item 3. News Release

The news release was issued on August 10, 2020 through Newsfile Corp.

Item 4. Summary of Material Change

The Company entered into two separate British Columbia mineral property option agreements with United Mineral Services Ltd. ("UMS"), a private company affiliated with Hunter Dickinson Inc. ("HDI") and 100% owned by Robert Dickinson, Chairman of HDI.

Under the terms of the Mack Option Agreement and the Jake Option Agreement, the Company has the right to earn a 50% working interest in the Mack copper-molybdenum-gold and Jake gold properties by completing \$400,000 of drilling and other surveys on each property. Upon completion of the required expenditures, separate 50:50 Joint Ventures will be formed between the Company and UMS (or its assigns) in order to continue to advance each asset. The Company and UMS have agreed that HDI affiliated, Amarc Resources Ltd., which has extensive BC exploration experience, will operate the exploration programs.

Item 5.1 Full Description of Material Change

See Schedule "A" attached hereto.

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

None.

Item 8. Executive Officer

Morgan Good, Chief Executive Officer, 604-715-4751

Item 9. Date of Report

August 10, 2020



4302-1151 West Georgia Street, Vancouver, British Columbia V6E 0B3

News Release

Carlyle Forms Strategic Partnership with Hunter Dickinson Group and Announces Two Agreements to Advance Bulk Tonnage Au and Cu-Mo-Au Projects in B.C.

DATE: August 10th, 2020

CSE:CCC | FSE:1OZ | OTC:DLRYF

CARLYLE COMMODITIES CORP. (CSE:CCC, FSE:1OZ, OTC:DLRYF) (“Carlyle” or the “Company”) is pleased to announce that it has entered into two separate British Columbia (“BC”) mineral property option agreements with United Mineral Services Ltd. (“**UMS**”), a private company affiliated with Hunter Dickinson Inc. (“**HDI**”) and 100% owned by Robert Dickinson, Chairman of HDI.

Under the terms of the Mack Option Agreement and the Jake Option Agreement, Carlyle has the right to earn a 50% working interest in the Mack copper-molybdenum-gold and Jake gold properties by completing \$400,000 of drilling and other surveys on each property. Upon completion of the required expenditures, separate 50:50 Joint Ventures will be formed between Carlyle and UMS (or its assigns) in order to continue to advance each asset. Carlyle and UMS have agreed that HDI affiliated, Amarc Resources Ltd. (“**Amarc**”), which has extensive BC exploration experience, will operate the exploration programs.

The planned drill programs will test the significant scale, drill ready, bulk tonnage deposit targets that have been defined at both Mack and Jake from combined historical and modern geochemical, geological and geophysical surveys. Drill permits have been applied for. It is expected that the drill permit for Mack will be obtained later this August, allowing the mobilization of a planned 14 day diamond drill program. Surface surveys are also planned at Jake for this August through September, but expectations are that due to COVID-19, drill permits for Jake may delay drilling until next year.

Morgan Good, Chief Executive Officer of Carlyle, commented: *“We are extremely thrilled to form this strategic partnership with Robert Dickinson and The Hunter Dickinson Group. HDI is a world-class organization with numerous major discoveries and significant mining success for more than 30 years.*

The Mack and Jake Projects offer tremendous discovery potential, as well as offer Carlyle further leverage to gold and now some exposure to the copper and moly space. We are expecting our drill permits for the Mack later this month which will position the Company for maiden drill campaigns both in Canada and at our high-grade gold-silver Cecilia Project in Mexico in the very near future.”

Robert Dickinson, President of UMS and Chairman of HDI, stated: *“We are very excited to drill test both the Jake and Mack deposit targets which are well focused and of significant scale. We believe the programs advanced by our partner Carlyle have a high probability of producing major new discoveries leading to the creation of substantial new wealth.”*

The Mack Property

The Mack Property is located on a overburden covered, alpine plateau 23 km west of the village of Dease Lake, which is on the Stewart-Cassiar Highway some 88 km north of the Red Chris gold-copper mine operated by Newcrest Mining Ltd., and 75 km north of the Saddle North gold-copper discovery on the Tatogga property of GT GOLD. Based on historical records compiled by UMS, the Mack copper-molybdenum-gold sheeted and stockwork vein deposit target forms a northwest trending zone measuring 1,000 m long and some 600 m wide, which is outlined by a combination of recent soil geochemical and airborne magnetic surveys and historical Induced Polarization (“IP”) chargeability surveys. Geochemical soil survey results show coincident and robust copper, molybdenum, bismuth and tungsten values over the deposit target mineralization trend. While the Mack deposit target is covered by overburden, a cirque rim perpendicular to and at the northern extremity of the deposit target trend exposes an altered quartz-monzonite outcrop measuring about 400 m long carrying molybdenite and chalcopyrite mineralization in hairline fractures and quartz veins. Historical assay results from rock samples collected along a 20 m trench, cut oblique to the deposit target trend near its centre, reported gold values ranging from 0 g/t to 1.6 g/t, with 9 of the 17 samples averaging 0.83 g/t.

The Jake Property

The Jake Property is located approximately 160 km north of Smithers and can be accessed from there directly by helicopter or by a combination of forestry roads and helicopter access from forestry operations closer to site.

The Jake deposit target is compelling based on data compiled and reported by UMS. It features a 4,000 m long by 2,000 m wide gossan centred on a northeast trending ridge-line characterized by extensive dyking intruding sedimentary rocks. Within this altered, gossanous area is a 2,300 m long by 1,000 m wide gold-in-talus geochemical anomaly which indicates the presence of a significant size, epithermal gold system that overlies an associated porphyry copper-gold deposit target as indicated by geochemical and geological surveys.

The Mack Option Agreement

Pursuant to the terms of the Mack Option Agreement, UMS has granted Carlyle an option (the “**Mack Option**”) to earn a 50% interest in the Mack Property by funding \$400,000 for an initial drill test of the Mack deposit target. After completing the earn-in, the Mack Project will be advanced through a 50:50 joint venture with UMS (or its assigns). Timing of funding is as follows:

- \$50,000 on or before August 14, 2020; and
- An additional \$350,000 on or before the earlier of:
 - (a) within 5 days of notice from Amarc that it has received the necessary permit required for the agreed upon earn-in program for the Mack Property before September 30, 2020;
 - (b) April 1, 2021, if the permit is in-hand after September 30, 2020 but before April 1, 2021; or such other date as agreed to by the parties.

Carlyle can accelerate the exercise of the Mack Option at any time by completing the required funding earlier.

The Jake Option Agreement

On exercise of the Mack Option, Carlyle will be vested with the option (the “**Jake Option**”) to earn a 50% interest in the Jake Property. The Jake Option is exercisable by Carlyle funding a \$400,000 initial exploration program. Timing of funding is as follows:

- Funding on or before August 31, 2020 for a preliminary orientation exploration program up to \$80,000 and reimbursing UMS \$20,000 for a payment made by UMS to an underlying property vendor; and
- Funding an additional amount to aggregate \$400,000 on the earlier of:

- (a) May 1, 2021, if Amarc has received the necessary permit required for the earn-in program for the Jake Property;
- (b) Within five days of notice that it has received the permit after May 1, 2021 but before September 30, 2021; or such other date as agreed to by the parties.

Carlyle can accelerate the exercise of the Jake Option at any time by completing the required funding earlier.

The Joint Ventures

Upon the respective exercise of the Jake Option and the Mack Option separate 50:50 Joint Ventures will be formed. Each Joint Venture will be governed by the terms of a Joint Venture agreement. In addition to customary joint venture terms, Carlyle and UMS have agreed that:

- Each Company will have the right to appoint two representatives to the management committees of each Joint Venture and;
- Amarc an affiliate of HDI, or at UMS's election or any other company which retains a services agreement with Hunter Dickinson Services Inc., shall be the initial operator of the Joint Ventures.

Finder's Fee

In connection with the Option Agreement, Carlyle has agreed to pay a finder's fee to a eligible finder of \$40,000, being 10% of the aggregate \$400,000 earn-in program with respect to the Mack Property, and, upon the exercise of the Mack Option, a fee of \$40,000 or the number of common shares in the capital of Carlyle (each, a "**Share**") that is equal to \$40,000 divided by the closing market price of the Shares on the Canadian Securities Exchange (the "**CSE**") on the Trading Day prior to the date of the Jake Option Exercise (the "**Jake Option Exercise Date**"), being 10% of the aggregate \$400,000 earn-in program with respect to the Jake Property, payable within 10 days of the Jake Option Exercise Date. All Shares which may be issuable to the eligible finder upon the exercise of the Jake Option will be subject to a statutory hold period expiring four months and one day after the date of issuance.

Qualified Person

Harrison Cookenboo, Ph.D., P.Geo., is a Qualified Person as defined in Canadian National Instrument-43-101, and has reviewed and is responsible for the technical information presented in this news release.

About HDI

HDI is a diversified, global mining group with more than 30 years of mineral development success. HDI sources mineral assets with significant potential and has strong technical and management experience to successfully advance those projects. Previous and current notable HDI porphyry deposit discoveries and developments include Pebble, Mount Milligan, Kemess South, Kemess North, Gibraltar, Prosperity, Xietongmen, Newtongmen, Florence, Casino, Sisson, Maggie, DUKE, PINE and IKE.

About Carlyle

Carlyle is a mineral exploration company focused on the acquisition, exploration and development of mineral resource properties. The Company has an option to earn a 100% interest in the Cecilia Gold Project located in the State of Sonora, Mexico, as well as an option to earn a 100% interest in the promising Sunset property located in the Vancouver Mining Division near Pemberton, BC. Carlyle is based in Vancouver, BC, and is listed on the Canadian Securities Exchange (“CSE”) under the symbol “CCC”.

ON BEHALF OF THE BOARD OF DIRECTORS OF CARLYLE COMMODITIES CORP.

“Morgan Good”

Morgan Good
Chief Executive Officer

For more information regarding this news release, please contact:

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Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian legislation. All statements in this news release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, the exercise of the Mack Option and Jake Option (and the transactions contemplated thereby, including payment of any respective option payments), and plans for further exploration of the Mack Property or Jake Property are forward-looking statements. Although the Company believes that such statements are reasonable and reflect expectations of future developments and other factors which management believes to be reasonable and relevant, the Company can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: “believes”, “expects”, “anticipates”, “intends”, “estimates”, “plans”, “may”, “should”, “would”,

“will”, “potential”, “scheduled” or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that it, UMS, or Amarc will obtain any necessary permits, licenses and regulatory approvals necessary for the implementation of the earn-in programs for each respective property as well as the respective exercise of the each option pursuant thereto, that the results of the work to be conducted on the Mack and Jake properties will be satisfactory to warrant further exploration, that market fundamentals will support the viability of gold mineral exploration, the availability of the financing required for the Company to carry out its planned future activities, to retain and attract qualified personnel, and the ability of the Company to exercise the Mack Option and the Jake Option.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks and other factors include the inability of the Company to exercise either the Mack Option or the Jake Option, execute its proposed business plans, and carry out planned future activities. The novel strain of coronavirus, COVID-19, also poses new risks that are currently indescribable and immeasurable. Other factors may also adversely affect the future results or performance of the Company, including general economic, market or business conditions, future prices of gold or other precious metals, changes in the financial markets and in the demand for gold or other precious metals, changes in laws, regulations and policies affecting the mineral exploration industry, risks related to the acquisitions of the Mack and Jake properties and the Company’s investment and operation in the mineral exploration sector in Canada and abroad, as well as the risks and uncertainties which are more fully described in the Company’s annual and quarterly management’s discussion and analysis and other filings made by the Company with Canadian securities regulatory authorities under the Company’s profile at www.sedar.com. Readers are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly, are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements.

These forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in these forward-looking statements.

Historical information contained in this news release cannot be relied upon as the Company’s Qualified Person, as defined under NI 43-101 has not prepared nor verified the historical information.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE accepts responsibility for the adequacy or accuracy of this release).