



**SILVER DOLLAR**  
R E S O U R C E S

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

### **Item 1: Name and Address of Company**

Silver Dollar Resources Inc. (the “Company” or “Silver Dollar”)  
Suite 416, 108 – 800 Kelly Road  
Victoria, BC, V9B 6J9

### **Item 2: Date of Material Change**

September 30, 2021

### **Item 3: News Release**

A news release was issued September 30, 2021 at Vancouver, British Columbia and was disseminated by Newsfile.

### **Item 4: Summary of Material Change**

The Company has completed an independent technical report on the La Joya Project that assesses the technical merit and economic potential of the project and recommends additional exploration. The report was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects and is now available under the Company’s profile on SEDAR.

In addition, Mr. Perry English is stepping down from the board of directors effective September 30, 2021.

### **Item 5: Full Description of Material Change**

#### *La Joya Silver Project:*

The Company has submitted a drilling permit application for the next phase of drilling at the La Joya silver project located in the state of Durango, Mexico. Drill hole collar locations have been selected and drill pad construction is in progress. Drilling is expected to commence shortly after the permit is received.

The Company has also completed an independent technical report (the "Report") on the La Joya Project that assesses the technical merit and economic potential of the project and recommends additional exploration. The Report was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects and is now available under the Company's profile on SEDAR.

*Capitalization:*

As of the latest interim financial statements for the quarter ended May 31, 2021, the Company had cash of \$10,878,107 as compared to \$702,047 at the beginning of the fiscal year. The increase in cash stems primarily from a \$10,500,000 exploration financing closed last September. The non-brokered private placement consisted of 7,500,000 common shares priced at \$1.40 per share with lead orders from billionaire mining investor Eric Sprott, who owns approximately 17% of shares issued; and First Majestic Silver Corp., who owns approximately 14% of shares issued and is one of the largest silver producers in Mexico.

The Company currently has 41,847,237 common shares issued, 3,200,000 incentive stock options exercisable at an average price of \$1.48, and a total of 45,047,237 common shares outstanding on a fully diluted basis assuming all stock options are exercised. Insider ownership is approximately 37% of shares issued and the current market cap based on shares issued is approximately \$31,000,000.

*Potential Spinout of Red Lake Gold Projects:*

The Company continues to evaluate the merits of a transaction to transfer its Canadian exploration projects to a new subsidiary ("SpinCo") that would be spun out to Silver Dollar shareholders. The intent of the transaction would be twofold: (1) position Silver Dollar to focus on the exploration and development of the advanced stage La Joya Silver Project in Mexico, and to pursue similar assets for potential acquisition; and (2) position SpinCo to operate as an independent company that would seek a separate public listing and focus on building a pure-play gold exploration company around its discovery-stage Red Lake projects.

No assurance can be made that a spinout will take place as it would be subject to several conditions that include satisfying stock exchange listing requirements, the assessment of legal and tax ramifications, determining final details of the transaction, receipt of all regulatory approvals, any required shareholder approval, the availability of financing for the new subsidiary, and market conditions. The company will provide further details if and when available in accordance with the policies of the Canadian Securities Exchange ("CSE").

*Pending Changes to the Board of Directors:*

Mr. Perry English is stepping down from the board of directors effective September 30, 2021. The Company thanks Perry for his contribution to the founding of the Company, especially with the Red Lake projects, and wishes him further success in all his endeavours. The Company is actively seeking an experienced individual with a background specific to exploration and development to fill Perry's seat on the board.

“It has been a rough patch for the junior resource sector over the last several months, but we remain laser-focused on creating value for our shareholders,” said Mike Romanik president of Silver Dollar. “We are cashed-up and eager to restart exploration drilling at La Joya.”

**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**

Michael Romanik, President and Chief Executive Officer  
Telephone (204) 726-0151

DATED AT Victoria, British Columbia this 30<sup>th</sup> day of September, 2021.

SILVER DOLLAR RESOURCES INC.

Signed “*Glen Wallace*”

per Glen Wallace, MBA, CPA, CGA