

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

**Item 1. Name and Address of Company**

ESKAY MINING CORP. (the “Company” or “Eskay”)  
82 Richmond Street East  
Toronto, Ontario M5C 1P1

**Item 2. Date of Material Change**

The material change took place on September 4, 2019.

**Item 3. News Release**

The News Release was disseminated on September 5, 2019 through Acceswire.

**Item 4. Summary of Material Change**

The Company announced that it had agreed to settle \$90,000.00 of management fees owed to a company controlled by an insider of the Company in consideration for the issuance of 1,263,157 common shares of the Company at a price of \$0.07125 per share. The securities to be issued will be legended and restricted from trading for four months and a day. The debt settlement is subject to TSX Venture Exchange approval.

**Item 5. Full Description of Material Change**

The following table indicates the common shares to be acquired by the insider in this debt settlement, the post-closing direct and indirect holdings in Eskay held and the percentage the holding represents in the post-closing outstanding shares:

Name	# of Shares to be issued pursuant to the debt settlement	Post- closing Direct & Indirect Holdings in the Issuer	% of Post-Closing Outstanding Shares <sup>(1)</sup>	% of Post-Closing Partially diluted Outstanding Shares <sup>(2)</sup>
Balkam Partners Ltd. (Hugh M. Balkam)	1,263,157	14,664,216 <sup>(3)</sup> Common Shares	12.79%	15.54%
		3,728,572 Options		
		0 Warrants		

Notes:

- (1) Based on issued and outstanding capital of 114,612,021 after giving effect to the debt settlement.
- (2) Calculated based on issued and outstanding capital of 118,340,593 Common Shares after giving effect to the debt settlement and the exercise of stock options and based on partially-diluted outstanding capital for the holder of 18,392,788 including common shares to be issued on this transaction to the insider and assuming the exercise of all options held by the insider.
- (3) Held as to 7,539,788 Common Shares directly through Balkam Partners Ltd. and 7,104,428 Common Shares directly and indirectly by Mr. Balkam. Mr. Balkam also has control over 20,000 Common Shares owned by his spouse.

The insider debt settlement is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 (“MI 61-101”) by virtue of the exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in that the fair market value of the consideration for the securities of the Company to be issued to insider does not exceed 25% of its market capitalization. The disinterested directors of the Company approved the debt settlement with the insider and his affiliated company.

**Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102**

Confidentiality is not requested.

**Item 7. Omitted Information**

No information has been omitted in respect of the material change.

**Item 8. Executive Officer**

Hugh M. Balkam, President & C.E.O.  
Info@eskaymining.com

416-907-6151

**Item 9. Date of Report**

September 11, 2019.