

FORM 51-102F3
MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF NI 51-102

Item 1. Name and Address of Company

Chilean Metals Inc.
490 Adelaide Street West, Suite 206
Toronto, Ontario M5V 1T2

Item 2. Date of Material Change

The material change took place on May 19th, 2016

Item 3. News Release

On May 19th, 2016, a News Release in respect of the material change was released through Marketwired, Toronto.

Item 4. Summary of Material Change

A full description of the material change is in the attached News Release.

Item 5. Full Description of Material Change

A full description of the material change is in the attached News Release.

Item 6. Reliance on Section 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

Terry Lynch, President
Chilean Metals Inc.
tel: 416 915-3181
e-mail: terry@chileanmetals.com

Item 9. Date of Report

May 20th, 2016



Chilean Metals Inc. Closes \$700,000 Equity Financing

Toronto, ON. May 19, 2016. Chilean Metals Inc. ("Chilean Metals," "CMX" or the "Company") (TSX.V:CMX, OTCQB: CMETF, SSE:CMX).

"Chilean Metals is pleased to announce we have closed the recently announced equity financing and have raised \$700,000. We will use the capital to ready a drilling program on our Zulema project in Chile and would expect to make future announcements on that when the program is fully funded and ready to commence which we would anticipate to occur early this summer" commented Chilean Metals CEO Patrick Cruickshank.

Chilean Metals has issued a total of 10,000,000 common shares at a price of \$0.07 per share for gross proceeds of \$700,000. Finder's fees of approximately \$18,645 will be paid and 216,350 warrants will be issued entitling the holder to acquire 216,350 common shares at a price of \$0.07 per share until June 1, 2017. Coincident with the closing of the investment Patrick Cruickshank, CEO, and Gary Lohman, VP Exploration, have been appointed to the Chilean Metals Board of Directors. To enable the appointments to take place Dan Gosselin a board member since 2012 has resigned. Chilean Metals would like to thank Mr. Gosselin for his service and guidance in his time with the company.

Moving forward Chilean Metals expects to sign definitive agreements with Cogonov Inc ("Cogonov") on the previously announced acquisition of certain projects, referred to as Lynn, Parrsboro and Bass River, that have been the focus of considerable exploration efforts over the last several years by Cogonov and historical owners Minotaur Atlantic Exploration Ltd.

Chilean Metals will issue an estimated 20,500,000 common shares to the shareholders of Cogonov (directly or indirectly). No new control persons are expected to be created in Chilean Metals by the issuance of the Chilean Metals shares. This is in addition to the 6,000,000 shares previously awarded Cogonov on the acquisition of Fox River. Both transactions are subject to TSXV approval.

Cogonov's three properties in central Nova Scotia are part of their advanced Iron Oxide-Copper-Gold (IOCG) regional exploration program. The claims cover select IOCG exploration targets previously delineated by Minotaur Exploration (Australia) along the Cobequid-Chedabucto Fault Zone (CCFZ). The CCFZ is a 300 km long fault structure that hosts over 100 mineral occurrences, including past producing mines, of Iron Oxide, Copper, Cobalt, Gold, Nickel and Barite. These projects have been part of an advanced IOCG exploration program to reinterpret and re-examine the mineral potential of Nova Scotia.

"The market for junior mining is turning after a very savage correction. We think 2016 will be a very exciting time at Chilean Metals and are looking forward to closing these transactions and getting on to the near term drilling of both our Zulema project in Chile and our Bass River project in Nova Scotia" commented Chilean Metals CEO Patrick Cruickshank.

The proposed acquisition is subject to the parties negotiating and entering into a definitive transaction agreement and applicable TSX Venture Exchange and other regulatory approvals.

About Chilean Metals

<http://chileanmetals.com/>

Chilean Metals Inc. is 100% owner of five properties comprising over 50,000 acres strategically located in the prolific IOCG ("Iron oxide-copper-gold") belt of northern Chile. It also owns a 3% NSR royalty interest on any future production from the Copaquire Cu-Mo deposit, recently sold to a subsidiary of Teck Resources Inc. ("Teck"). Under the terms of the sale agreement, Teck has the right to acquire one third of the 3% NSR for \$3 million dollars at any time. The Copaquire property borders Teck's producing Quebrada Blanca copper mine in Chile's First Region.

ON BEHALF OF THE BOARD OF DIRECTORS OF
Chilean Metals Inc.
"Terry Lynch"
Terry Lynch, President

Contact: terry@chileanmetals.com

The Qualified Person for Chilean Metals Inc., as defined by National Instrument 43-101, is Gary Lohman, P. Eng., Vice President, Exploration.

Forward-looking Statements: This news release may contain certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical fact, that address events or developments that CMX expects to occur, are forward looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Forward-looking statements in this document include statements regarding current and future exploration programs, activities and results. Although CMX believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration success, continued availability of capital and financing, inability to obtain required regulatory or governmental approvals and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward looking statements.

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