

MATERIAL CHANGE REPORT

Form 51-102F3

Section 7.1 of National Instrument 51-102

Item 1. Name and Address of Company

Eloro Resources Ltd.
20 Adelaide Street East
Suite 200
Toronto, Ontario M5C 2T6

Item 2. Date of Material Change

December 9, 2020

Item 3. News Release (including date and method of dissemination)

Two new releases were issued via GlobeNewswire on December 9, 2020.

Item 4. Summary of Material Change

Eloro Resources Ltd. ("**Eloro**" or the "**Company**") announced that it entered into an agreement with Haywood Securities Inc. ("**Haywood**") to act as lead underwriter and sole bookrunner, on behalf of a syndicate of underwriters including Echelon Wealth Partners Inc. (together with Haywood, the "**Underwriters**") pursuant to which the Underwriters agreed to purchase, on a bought deal basis, 1,936,000 units (the "**Units**") at a price of C\$1.55 per Unit (the "**Issue Price**") for gross proceeds to the Company of Cdn\$3,000,800 (the "**Offering**").

Eloro further announced that it amended the terms of its previously announced Offering to increase its size to Cdn\$5,500,020 (the "**Upsized Offering**").

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

a. Eloro announced that it entered into an agreement with Haywood to act as lead underwriter and sole bookrunner, on behalf of a syndicate of underwriters including Echelon Wealth Partners Inc. pursuant to which the Underwriters agreed to purchase, on a bought deal basis, 1,936,000 Units at the Issue Price for gross proceeds to the Company of C\$3,000,800.

Each Unit will consist of one common share (a "**Common Share**") in the capital of the Company and one-half (1/2) of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**") of the Company. Each Warrant shall be exercisable to acquire one Common Share (a "**Warrant Share**") at a price per Warrant Share of C\$2.00 for a period of 24 months from the closing date of the Offering.

In addition, the Company has agreed to grant to the Underwriters an option to purchase up to an additional 15% of the number of Units sold under the Offering at a price per Unit equal to the Issue Price, on the same terms and conditions as the Offering, exercisable at any time, in whole or in part, until the date that is 30 days following the closing of the Offering.

The net proceeds from the Offering will be used for exploration and development at the

Company's projects in Bolivia and Peru, and for general working capital and corporate purposes.

The Units will be offered by way of a short form prospectus to be filed in all provinces of Canada, except Québec. The Units will also be sold to U.S. buyers on a private placement basis pursuant to an exemption from the registration requirements in Rule 144A of the United States Securities Act of 1933, as amended, and other jurisdictions outside of Canada provided that no prospectus filing or comparable obligation arises.

The Offering is scheduled to close on or about December 30, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the TSX Venture Exchange and the securities regulatory authorities.

In connection with the Offering, the Underwriters will receive a cash commission of 7.0% of the gross proceeds of the Offering and that number of non-transferable compensation options (the "**Compensation Options**") as is equal to 7.0% of the aggregate number of Units sold under the Offering. Each Compensation Option is exercisable into one Common Share at the Issue Price for a period of 24 months from the closing date of the Offering.

The securities offered in the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This report shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

b. Eloro further announced that it has amended the terms of its previously announced Offering to increase its size to Cdn\$5,500,020 (the "**Upsized Offering**").

Under the terms of the Upsized Offering, the Underwriters agreed to purchase, on a bought deal basis, 3,548,400 Units at the Issue Price for gross proceeds to the Company of Cdn\$5,500,020.

Each Unit will consist of one Common Share and one-half (1/2) of one Common Share purchase warrant (each whole common share purchase warrant, a "**Warrant**") of the Company. Each Warrant shall be exercisable to acquire one Warrant Share at a price per Warrant Share of C\$2.00 for a period of 24 months from the closing date of the Upsized Offering.

In addition, the Company has agreed to grant to the Underwriters an option to purchase up to an additional 15% of the number of Units sold under the Upsized Offering at a price per Unit equal to the Issue Price, on the same terms and conditions as the Upsized Offering, exercisable at any time, in whole or in part, until the date that is 30 days following the closing of the Upsized Offering.

The net proceeds from the Upsized Offering will be used for exploration and development at the Company's projects in Bolivia and Peru, and for general working capital and corporate purposes.

The Units will be offered by way of a short form prospectus to be filed in all provinces of Canada, except Québec. The Units will also be sold to U.S. buyers on a private placement basis pursuant to an exemption from the registration requirements in Rule 144A of the United States Securities Act of 1933, as amended, and other jurisdictions outside of

Canada provided that no prospectus filing or comparable obligation arises.

The Upsized Offering is scheduled to close on or about December 30, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the TSX Venture Exchange and the securities regulatory authorities.

In connection with the Upsized Offering, the Underwriters will receive a cash commission of 7.0% of the gross proceeds of the Upsized Offering and that number of Compensation Options as is equal to 7.0% of the aggregate number of Units sold under the Upsized Offering. Each Compensation Option is exercisable into one Common Share at the Issue Price for a period of 24 months from the closing date of the Upsized Offering.

The securities offered in the Upsized Offering have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This report shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

5.2 Disclosure for Restructuring Transactions

Not applicable

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

Not applicable

Item 7. Omitted Information

Not applicable

Item 8. Executive Officer

Inquiries in respect of the material change referred to herein may be made to:

Thomas G. Larsen, Chairman and CEO or Jorge Estepa, Vice-President
Phone: (416) 868-9168

Item 9. Date of Report

This report is dated as of the 15th day of December, 2020.

Caution Regarding Forward-Looking Information

Information in this report may contain forward-looking information. Statements containing forward looking information express, as at the date of this report, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the Company. There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information.