Form 51–102F3

Material Change Report

Item 1 Name and Address of Company

Arco Resources Corp. ("Arco" or the "Company")
PO Box 10077 – Pacific Centre
Vancouver, B.C. V7Y 1B6

Item 2 Date of Material Change

June 20, 2017

Item 3 News Release

News Release was disseminated via Stockwatch and filed on SEDAR on June 20, 2017.

Item 4 Summary of Material Change

The Company announced the appointment of Mr. George Danes, CPA, CA to its Board of Directors and as Chief Executive Officer of the Company.

Item 5 Full Description of Material Change

See news release dated June 20, 2017 attached to this report as Schedule 'A".

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

D. Barry Lee, Director & Acting CFO
Telephone: (604) 689-8336

Item 9 Date of Report

June 20, 2017

SCHEDULE "A"

NEWS RELEASE

ARCO APPOINTS CEO AND ARRANGES FINANCING

June 20 2017 **-** *Vancouver, BC* **- Arco Resources Corp. (TSX-V: ARR.H)** (the "Company") is pleased to announce the appointment of a new CEO and member of its Board of Directors, and the arrangement of financing for up to $500,000 by way of a private placement in its capital stock.

Appointment of Director & CEO

The Company is pleased to announce the appointment of Mr. George Danes, CPA, CA to its Board of Directors and as Chief Executive Officer of the Company. Mr. Danes is a professional accountant with several years' experience in both private and public companies, primarily in the real estate sector. He is currently the Chief Financial Officer of Sutton Group Realty Services, and is the former Vice President Finance and Accounting of Dundee 360 Real Estate Corporation (2009 – 2016), where he directed the global financial department, servicing 35 corporate entities operating in the US, Canada and Europe, overseeing reporting, treasury, compliance, taxation and M&A, in the development, operations and sales and marketing of real estate assets. Prior to this, Mr. Danes spent seven years in audit both locally and internationally with several accounting and audit firms.

Mr. Danes' appointment to both the Board and as CEO is in replacement of Mr. Anthony Dutton, who has resigned both posts to concentrate on other ventures. The Company wishes to thank Mr. Dutton for his past service.

Private Placement Financing

The Company has arranged financing by way of a private placement of up to 10,000,000 units in the capital of the Company at $0.05 per unit for gross proceeds of up to $500,000 (the "Offering"), each unit comprised of one common share and one common share purchase warrant exercisable at a price of $0.075 for a period of one year from the date of issue. All securities issued pursuant to the Offering will be subject to a statutory hold period of four months plus one day from the date of issuance in accordance with applicable securities legislation and TSX Venture Exchange (the "Exchange") policy. The Company may pay qualified parties finder's fees, subject to the policies and approval of the Exchange. The proceeds of the Offering will be used for working capital and general corporate purposes.

ON BEHALF OF THE BOARD OF DIRECTORS

"D. Barry Lee"

D. Barry Lee, Director