FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Cuervo Resources Inc. (“Cuervo”)
247 Major Street
Toronto, Ontario M5S 2L5

Item 2 Date of Material Change

Monday, July 18, 2011 and Wednesday July 27, 2011.

Item 3 News Release

News releases were issued Monday July 18, 2011 and Thursday July 28, 2011 via Filing Services Canada.

Item 4 Summary of Material Change

On Monday, July 18, 2011 Cuervo announced that it has signed an investment agreement, in escrow, with Strike Resources Limited (ASX:SRK; “Strike”), under which Strike will provide two-stage financing of up to $CDN 15 million to Cuervo to fund advanced exploration work on Cuervo’s iron ore exploration project in the Cusco area of southern Perú referred to as Cerro Ccopane (“the Cerro Ccopane concessions”). On Thursday July 28, 2011 Cuervo announced that the escrow announced on Monday July 18, 2011 had terminated, it had closed the investment agreement and it had received $CDN 5.25 million of loan proceeds.

Item 5 Full Description of Material Change

Under the investment agreement Strike agreed to provide $CDN 5.25 million in the form of a non-cash interest-bearing three-year secured promissory note to fund an initial 15-month exploration program. At Strike’s election, a further $CDN 9.75 million of non-cash interest-bearing secured funding may be advanced to fund the remaining 21 months of the expected three-year exploration program. Security for the financing is provided by a pledge of the shares held by Cuervo in its Peruvian subsidiary and a mortgage over the Cerro Ccopane concessions. In addition Cuervo has agreed to certain customary negative covenants in favour of Strike that are typical of transactions of this type.

As interest consideration for the provision of funding by Strike, Cuervo issued to Strike two warrants, each with an initial term of three years commencing on the closing of the financing, to purchase Cuervo common shares: the first warrant entitles the holder thereof to purchase 17,500,000 common shares at $CDN 0.30 per share; and the second warrant entitles the holder thereof to purchase 17,727,273 common shares at $CDN 0.55 per share. The second warrant will be cancelled if Strike elects not to advance all of the $CDN 15 million. The term of the warrants may be extended if there are delays in the exploration program.

Under the agreement, proceeds from the exercise of warrants will be applied against amounts owing under the promissory note(s). Automatic exercise of warrants and retirement of outstanding amounts under the promissory note(s) will occur if Cuervo common shares trade for 20 consecutive days above $CDN 1.00 (volume-weighted average price), with a minimum 20-day trading volume of 1.5 million shares, or if Cuervo files a National Instrument 43-101-compliant Mineral Resource Estimate (CIM definition “Inferred Mineral Resources” category) of iron ore that is at least 700 million tonnes with an average grade of 40% Fe or greater. Upon the full exercise of both warrants Strike would own approximately 49% of Cuervo’s outstanding common shares and approximately 46% on a fully diluted basis. As part of the financing, Cuervo has provided Strike with certain pre-emptive rights on future share issuances during the term of the investment agreement.

The planned work program on the Cerro Ccopane concessions will include the diamond drilling of important geophysical targets that possess coincident magnetic and gravity signatures: the “Bob 1” anomaly, in particular, has been modeled (using gravity) as a body that has a billion tonne mineral potential. *This potential quantity of mineralization, of undetermined grade, is conceptual in nature, and there has been insufficient exploration to define a mineral resource. It is uncertain if further exploration will result in the target being delineated as a mineral resource*. Recent field investigations have indicated that this zone is marked by the extensive outcroppings of magnetite typical of other known zones of mineralization on the property. Other planned work will include extending the existing geophysical surveys and carrying out additional mineral-processing and transportation studies.

Strike itself is also an important explorer for iron ore in southern Perú through its interest in Apurímac Ferrum S.A.C. (“AF”). The companies believe that a cooperative exploration effort between Cuervo and Strike will be strategic to the development of the iron ore resource potential of Perú.

Certain changes to the composition of the Cuervo Board of Directors have occured as part of the closing of the financing. Mr. Velasquez Spring, P.Eng., resigned from the Board on closing of the financing. Mr. Spring served Cuervo with dedication as an independent director over the past five years. Mr. Spring’s immense value to the Company has been retained as he has joined the Company’s Advisory Board and becomes senior geological consultant to the Company. Mr. Spring has been replaced on the Board by Mr. Kenneth J. Hellsten.

Mr. Hellsten is the Managing Director of Strike and has been a non-executive director of Heron Resources Limited since 2006 and Brierty Contracting Limited since 2010. Mr. Hellsten has an extensive managerial and exploration background related to iron ore and nickel projects including many years of service with Billiton Australia and BHP Billiton. He is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Member of the Australian Institute of Company Directors (AICD).

Mr. Brian Berner stepped-down as Chairman of the Board on closing and was replaced by Mr. Gordon D. Watts, P.Eng. Mr. Watts has been an independent Board member for six years and has extensive mining project experience, in particular as related to iron ore. Mr. Watts was also a member of the Baffinland Iron Mines Corporation board of directors until its recent takeover by a consortium led by Arcelor Mittal. Mr. Berner will continue as Chief Executive Officer and as an executive director of the Company.

A sixth Board member has also be appointed on closing: Professor Malcolm R. Richmond, the acting Chairman of Strike. Professor Richmond is a Professorial Fellow at the University of Western Australia, seconded jointly to the Business School and Faculty of Engineering. His special interests include international mining, corporate strategy, judgement and leadership in large organizations and commercialization of research and development.

Professor Richmond has spent much of his career with the Rio Tinto Group; immediately prior to his retirement he held the position of Managing Director - Development of Hamersley Iron Pty Limited, Executive Director of Hamersley Holdings, Deputy Chairman of the Australian Minerals Research Council and Vice President of the WA Chamber of Minerals and Energy, among other positions. Professor Richmond is an Associate of AusIMM and a Fellow of the Australian Academy of Technology, Science and Engineering.

Mr. Brian M. Cloney, C.A., (independent director) and Mr. John M. Siriunas, P.Eng., (executive director) remain as the other members of the Board.

Pursuant to the investment agreement Cuervo has agreed to nominate for election to the Cuervo Board, at each shareholders meeting of Cuervo during the term of the investment agreement, two nominees of Strike provided that from the earlier of (i) the date on which Strike provides notice to Cuervo that it will make available the further $CDN 9.75 million of non-cash interest-bearing secured funding and (ii) the date on which Strike exercises all of the warrants, Cuervo will promptly appoint a third nominee of Strike to the Board and thereafter during the term of the investment agreement will nominate for election to the Cuervo Board at each shareholders meeting of Cuervo, three nominees of Strike. If such Strike nominees to the Cuervo Board are not appointed by the Board or elected by the shareholders at such shareholder meetings, as applicable, then Strike has the right, on notice to Cuervo, to accelerate the maturity dates of the promissory notes to the date that is 120 days following the date on which Strike provides such notice to Cuervo.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

No reliance.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

Brian Berner, CEO, 416-203-3957 (Ext. 201).

Item 9 Date of Report

July 28, 2011.