

Form 51-102F3
Material Change Report

Item 1. Name and Address of Reporting Issuer

Excelsior Mining Corp. (the “Company” or Excelsior”)
Suite 1240, 1140 West Pender Street
Vancouver, B.C., V6C 4G1

Item 2. Date of Material Change

October 7, 2015

Item 3. News Release

A news release announcing the material change referred to in this report was issued through Marketwired on October 8, 2015, and a copy is filed on SEDAR.

Item 4. Summary of Material Change

The Company announced that it, through a wholly-owned Arizona subsidiary, has entered into a definitive Asset Purchase Agreement to acquire all of the assets of Nord Resources Corporation, as they relate to the Johnson Camp Copper Mine. The Johnson Camp Copper Mine is located immediately adjacent to Excelsior’s Gunnison Copper Project (the “**Gunnison Project**”) in southeastern Arizona.

The Company also announced that it has entered into a binding term sheet for a concurrent financing, with an affiliate of Greenstone Resources L.P. (“**Greenstone**”), for total gross proceeds of US\$12.0 million. The financing consists of a private placement of common shares at a price of Cdn\$0.23 per common share (the “**Private Placement**”) for gross proceeds of US\$4 million and the sale of 2% gross revenue royalty on the Gunnison Project (the “**Royalty Financing**”) for gross proceeds of US\$8 million. After the closing of the Private Placement Greenstone will hold a total of 55,550,869 common shares, which will represent approximately 40.14% of Excelsior’s issued and outstanding common shares (post-closing of the Private Placement)

The Company also announced that concurrent with the Private Placement and Royalty Financing, the Company will conduct a non-brokered private placement of common shares at a price of Cdn\$0.23 per common share, for gross proceeds of up to US\$3 million.

Item 5.1 Full Description of Material Change

For a full description of the material change, please see the news release attached as Schedule “A” to this Material Change Report.

Item 5.2 Disclosure for Restructuring Transactions

Not Applicable.

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

Not applicable.

Item 7. Omitted Information

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

Item 8. Executive Officer

The name and business telephone number of an officer who is knowledgeable about the material change and this report is as follows:

Sheila Paine, Corporate Secretary
Phone: (604) 681-8030 ext. 238
Fax: (604) 681-8039

Item 9. Date of Report

October 15, 2015

Schedule A



NEWS RELEASE

Excelsior to Purchase Johnson Camp Mine and Raise US\$12 Million

October 8, 2015

(TSX-V: MIN) (Frankfurt: 3XS) (OTCQX: EXMGF)

Excelsior Mining Corp. (TSX-V: MIN) (Frankfurt: 3XS) (OTCQX: EXMGF) ("Excelsior" or the "Company") is pleased to announce that it, through a wholly-owned Arizona subsidiary, has entered into a definitive Asset Purchase Agreement (the "Purchase Agreement") to acquire all of the assets of Nord Resources Corporation ("Nord"), as they relate to the Johnson Camp Copper Mine (the "Johnson Camp Transaction"). The Johnson Camp Copper Mine ("Johnson Camp") is located immediately adjacent to Excelsior's Gunnison Copper Project in southeastern Arizona (the "Gunnison Project"). The Company also announces that it has entered into a binding term sheet for a concurrent financing of US\$12 million.

Details of the Johnson Camp Transaction

Under the terms of the Purchase Agreement, Excelsior will acquire, through the court-appointed receiver (the "Receiver"), the Johnson Camp Mine including all fee title property, all patented and unpatented mining claims, all improvements, equipment, certificates of deposit, reports and records. Subject to court approval all assets will be transferred to Excelsior free and clear of all liens, and all back-taxes are to be paid by the Receiver from the proceeds of sale. Excelsior will acquire Nord's Johnson Camp assets for total consideration of US\$8.4 million under the following terms:

- US\$5.2 million due on or prior to closing;
- US\$1 million due on or before December 31, 2016; and
- US\$2.2 million due on or before December 31, 2017.

Johnson Camp mining claims are contiguous with Excelsior's Gunnison Project. The property consists of 59 patented lode mining claims, 117 unpatented lode mining claims and fee simple lands. The existing facilities includes a 4500 gallon per minute solvent extraction plant, a tank farm, an electrowinning plant with 88 electrowinning cells with capacity of 25 million pounds of copper cathode per annum, solution storage ponds, a truck shop, core storage building, offices, warehouse, laboratory, mechanical shop, a primary and secondary crusher, and various other equipment. Johnson Camp stopped mining operations in 2010 and has since been producing small amounts of copper from residual leach pads. The mine has been in receivership since 2014.

The closing of the Johnson Camp Transaction is subject to several conditions including the receipt of a final and non-appealable order from the Superior Court of Arizona, receipt of all consents required for the transaction, all non-permitted liens on the assets being discharged (subject to court approval) and the receipt of all regulatory approvals, including the approval of the TSX Venture Exchange. Closing is expected to occur in late November 2015.

Commenting on the Johnson Camp Transaction, Stephen Twyerould, President and CEO of the Company, said, "This is an exciting development for the Company. The SX-EW plant at Johnson Camp is in good working order, and once our Gunnison Project to the south is permitted and ready for production, we expect that the copper solutions can be easily processed through the existing

Johnson Camp facilities. This is expected to allow us to significantly reduce our upfront capital requirements and the time required for the start-up of the Gunnison Project. The Company also intends to thoroughly examine the potential of Johnson Camp, especially since this is the first time in its 130 year history that the entire Johnson Camp district has been consolidated under one ownership."

Concurrent Financing

Excelsior also announces it has entered into a binding term sheet for a concurrent financing, with an affiliate of Greenstone Resources L.P. ("Greenstone"), for total gross proceeds of US\$12.0 million. The financing consists of a private placement of common shares (the "Private Placement") for gross proceeds of US\$4 million and the sale of 2% gross revenue royalty on the Gunnison Project (the "Royalty Financing") for gross proceeds of US\$8 million.

The Private Placement and Royalty Financing shall require shareholder approval under the rules and policies of the TSX Venture Exchange and applicable Canadian securities laws. The Company intends to obtain shareholder approval for the Private Placement and Royalty Financing at a special meeting of shareholders that is scheduled to occur in November, 2015, in Vancouver (the "Meeting"). Assuming shareholder approval is obtained and other conditions precedent to the Private Placement and Royalty Financing are met (including certain conditions relating to the Johnson Camp Transaction), the Private Placement and Royalty Financing are scheduled to close shortly after the Meeting.

Pursuant to the Private Placement Greenstone will purchase, by way of a treasury offering, common shares of Excelsior at a price of Cdn\$0.23 per common share for total gross proceeds of US\$4.0 million. Settlement will occur in United States dollars and the exact number of common shares issued has been determined based on a Cdn\$/US\$ exchange rate of Cdn\$1.00 being equal to US\$0.7533 (the "Exchange Rate"). The Exchange Rate was determined using the average of the noon Cdn\$/US\$ exchange rate, as reported by the Bank of Canada, for the 10 days prior to the execution of the term sheet. Based on the Exchange Rate, upon closing of the Private Placement, Greenstone will acquire 23,081,362 common shares (representing approximately 20.01% of Excelsior's current issued and outstanding common shares). After the closing of the Private Placement Greenstone will hold a total of 55,550,869 common shares, which will represent approximately 40.14% of Excelsior's issued and outstanding common shares (post-closing of the Private Placement). Greenstone has agreed that it will not, for a period of one year, dispose of the common shares it acquires pursuant to the Private Placement.

Pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"), each of the Private Placement and Royalty Financing constitutes a "related party transaction" as Greenstone is a related party of the Company. The Company is relying on an exemption from the formal valuation requirement of MI 61-101, based on the fact that the securities of the Company are only listed on the TSX Venture Exchange. However, the Company will be required to obtain minority shareholder approval for the Private Placement and Royalty Financing as there are no available exemptions. The Company intends to obtain such minority shareholder approval at the Meeting. The common shares that will be acquired by Greenstone will be acquired pursuant to an exemption from the prospectus requirement in section 2.3 of National Instrument 45-106.

The directors of Excelsior who hold shares of the Corporation have entered into irrevocable undertakings pursuant to which they have agreed that they will vote their shares in favour of the Private Placement and Royalty Financing at the Meeting.

Concurrent with the Private Placement and Royalty Financing, the Company will conduct a non-brokered private placement of common shares at a price of Cdn\$0.23 per common share, for gross proceeds of up to US\$3 million (the "Additional Private Placement"). The Additional Private Placement will also be settled in United States dollars using the Exchange Rate for the purposes of conversion. As a result, up to 17,311,022 common shares will be issued in the Additional Private

Placement. If the Additional Private Placement is completed for the full US\$3 million, when combined with the Private Placement and Royalty Financing, the Company will have raised total gross proceeds of US\$15 million.

The net proceeds of the Private Placement, Royalty Financing and Additional Private Placement will be used for the consideration payable in the Johnson Camp Transaction, the continued development of the company's Gunnison Copper Project and for working capital and general corporate purposes.

The Private Placement, Royalty Financing and Additional Private Placement are subject to a number of conditions, including, without limitation, the execution of definitive documentation, receipt of all regulatory approvals, including the approval of the TSX Venture Exchange and the applicable securities regulatory authorities. The Private Placement and Royalty financing are also subject to the receipt of minority shareholder approval.

The securities being offered hereby have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state or province in which such offer, solicitation or sale would be unlawful.

Callinan Royalty Option Update

Excelsior is also providing an update with respect to the Share Purchase and Royalty Option Agreement dated July 10, 2013 (the "Callinan Agreement") between Excelsior and Callinan Royalties Corp. ("Callinan"). Excelsior provided notice to Callinan, now a wholly-owned subsidiary of Altius Minerals Corporation ("Altius"), that the milestones for the second royalty option under the Agreement had been achieved. Altius, on behalf of Callinan, has provided notice that it will not be exercising the second royalty option. For additional details of the Callinan Agreement, see Excelsior news release dated July 29, 2014 – **Callinan Royalties Corp. Exercises \$3 Million Royalty Option**.

In May 2015, Altius completed a plan of arrangement whereby Altius acquired all of the issued and outstanding common shares of Callinan and Callinan became a wholly owned subsidiary controlled by the Board and management of Altius. The business model of Altius is to acquire royalty interests in producing mines and to generate its own projects that it then advances through various partner-funding arrangements. Excelsior's Gunnison Project is not yet a producing mine and it is not a project that was generated initially by Altius, and as a result it falls outside of the current Altius business model. Altius, through Callinan, continues to hold a 1% GRR in the Gunnison Project and holds the remaining options to acquire up to an addition 1.75% GRR based on the remaining Development Milestone (0.5% GRR) and Construction Milestone (0.75% GRR). Altius has not indicated its intention with respect to the exercise of the remaining royalty options.

About Greenstone

Greenstone is a private equity fund specialising in the mining and metals sector. The Greenstone team has over 80 years of experience in the sector covering all aspects of mining project development. Further details on Greenstone can be found at www.greenstoneresources.com.

Greenstone is acquiring the securities in the offering described herein for investment purposes. Depending on market conditions and other factors, Greenstone may from time to time acquire and/or dispose of securities of Excelsior or continue to hold its current position.

A copy of the early warning report required to be filed with the applicable securities commission in connection with the transaction will be available on SEDAR at www.sedar.com and can be obtained by contacting Jo-Anna Duquemin Nicolle and Sadie Morrisson at +44 1481810100. Greenstone's address is set out below.

Greenstone Contact Information:

Greenstone Resources L.P.
1st Floor, Royal Chambers
St Julian's Avenue
St Peter Port, Guernsey
GY1 3JX
Channel Islands

About Excelsior

Excelsior is a mineral exploration and development company that is advancing the Gunnison Copper Project. The Excelsior management team consists of experienced professionals with proven track records of advancing mining projects into production. Further information about the Gunnison Copper Project can be found in the technical report filed on SEDAR at www.sedar.com entitled: "Gunnison Copper Project, NI 43-101 Technical Report, Prefeasibility Study" dated February 14, 2014.

Dr. Stephen Twyerould, Fellow of AUSIMM, President and CEO of Excelsior, and a Qualified Person as defined by NI 43-101, has reviewed and approved the technical information disclosed in this news release.

For more information on Excelsior, please visit our website at www.excelsiormining.com.

ON BEHALF OF THE EXCELSIOR BOARD

"Mark J. Morabito"
Executive Chairman

For further information regarding this press release please contact:

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Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" concerning anticipated developments and events that may occur in the future. Forward looking information contained in this news release includes, but is not limited to, statements with respect to (i) the details and timelines associated with the Johnson Camp Transaction, (ii) the use of the SX-EW plant at Johnson Camp, (iii) the potential reduction in the initial capital costs and the timeline to first production at the Gunnison Project; (iv) the details of the financings with Greenstone and the Additional Private Placement; (v) the timing and closing of the financings; (vi) the anticipated use of proceeds of the financings; and (vii) the advancement of the Gunnison Project.

Such forward-looking information can be identified by the use of the word "will". Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the estimation of mineral resources and mineral reserves, the realization of resource and reserve estimates, copper and other metal prices, the timing and amount of future exploration and development expenditures, the ongoing care and maintenance costs associated with Johnson Camp, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs, that definitive agreements for the financing will be concluded, the availability of necessary financing and materials to continue to explore and develop the Gunnison Project in the short and long-term, the progress of exploration and development activities, the receipt of necessary regulatory approvals, the completion of the permitting process, the estimation of insurance coverage, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined including the possibility that mining operations

may not commence at the Gunnison Project, risks relating to variations in mineral resources and reserves, grade or recovery rates resulting from current exploration and development activities, risks relating to the ability to access infrastructure, risks relating to changes in copper and other commodity prices and the worldwide demand for and supply of copper and related products, risks related to increased competition in the market for copper and related products and in the mining industry generally, risks related to current global financial conditions, uncertainties inherent in the estimation of mineral resources, access and supply risks, reliance on key personnel, operational risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and operating costs and the risk of delays or increased costs that might be encountered during the development process, regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, including the risk that the financing necessary to fund the exploration and development activities at the Gunnison Project may not be available on satisfactory terms, or at all, risks related to disputes concerning property titles and interest, environmental risks and the additional risks identified in the "Risk Factors" section of the Company's reports and filings with applicable Canadian securities regulators.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information is made as of the date of this news release. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information.

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, and no securities regulatory authority has either approved or disapproved of the contents of this release.