

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

State the full name of your company and the address of its principal office in Canada.

Guerrero Exploration Inc.
1220 - 666 Burrard Street
Vancouver, British Columbia
V6C 2X8

Item 2 Date of Material Change

State the date of the material change.

June 19, 2012

Item 3 News Release

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

The press release was issued by Marketwire on June 19, 2012 at Calgary, Alberta.

Item 4 Summary of Material Change

The Corporation and its partner, Riverside Resources Inc. ("Riverside"), have agreed to terms on a transaction (the "Transaction") that will result in Guerrero owning 100% interests in the Cerro Azul and Chapalota projects (the "Projects") with Riverside receiving \$2,000,000 in Guerrero shares. After the Transaction is complete, Riverside will become the largest single shareholder of Guerrero.

Item 5 Full Description of Material Change

The Corporation and its partner, Riverside Resources Inc. ("Riverside"), have agreed to terms on a transaction (the "Transaction") that will result in Guerrero owning 100% interests in the Cerro Azul and Chapalota projects (the "Projects") with Riverside receiving \$2,000,000 in Guerrero shares. After the Transaction is complete, Riverside will become the largest single shareholder of Guerrero.

The Transaction will strengthen the partnership between the two companies, with Riverside having an opportunity to increase its management presence and support through representation on the Board of Directors and Advisory Board. This agreement will facilitate exploration progress and allow Riverside and Guerrero to take strides towards an initial drill program at the Cerro Azul copper-gold project and follow-up on remaining drill targets at Chapalota. Further, Riverside's on-the-ground team in Mexico will assess and advance other properties for Guerrero's portfolio. Both companies already enjoy a strong working relationship and believe that this Transaction will leverage the knowledge and resources required to identify valuable opportunities moving forward.

Property Details:

Cerro Azul is located near the highly productive southwestern Mexico, Guerrero Gold Belt. The 2011 work program on the 261 km² property consisted primarily of rock chip and soil samples.

Chapalota is located along the western side of the Sierra Madre Occidental Region of Mexico. The 91 km² property is 50 km to the south of Silvermex's Rosario deposit and 70 km to the north of Oro Mining's La Trinidad deposit. Riverside and Guerrero completed IP and soil surveys defining six target areas on the Project.

Further Transaction Details:

Riverside has agreed to transfer its 40% interest in the Cerro Azul Project and its 100% interest in the Chapalota Project in exchange for \$2,000,000, payable in shares of Guerrero. The \$2,000,000 in shares will be issued at the issue price of a strategic financing of at least \$700,000 that Guerrero will conduct at or around time of closing. David Stadnyk will continue to serve as President and CEO and, in addition to having two members of Riverside's Senior Management (Robert Scott and Howard Davies) appointed to Guerrero's Board of Directors, John-Mark Staude will be appointed to Guerrero's Advisory Board. The Transaction will qualify as a change of control, as defined under the rules of the TSX Venture Exchange, and as such will require Guerrero shareholder approval, as well as Exchange approval.

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

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102, state the reasons for such reliance.

N/A

INSTRUCTION

Refer to subsections 7.1 (4), (5), (6) and (7) of National Instrument 51-102 concerning continuing obligations in respect of reports filed under subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7 Omitted Information

State whether any information has been omitted on the basis that it is confidential information.

None.

Item 8 Executive Officer

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or the name of an officer through whom such executive officer may be contacted.

David Stadnyk, President and CEO
(604) 685-0088 Ext. 229

Item 9 Date of Report

June 21, 2012.