

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

Margaux Red Capital Inc. (the "**Company**" or "**Margaux**")
Suite 1740 - 1177 West Hastings Street
Vancouver, BC
V6E 2K3

Item 2. Date of Material Change

December 22, 2017

Item 3. News Release

A news release relating to the material change described herein was disseminated on December 22, 2017.

Item 4. Summary of Material Change

Margaux has entered into a share exchange agreement dated December 22, 2017 (the "**Share Exchange Agreement**") with Sigma Lithium Resources Inc. ("**Sigma**") and the shareholders of Sigma pursuant to which, among other things, Margaux will acquire all of the issued and outstanding common shares of Sigma ("**Sigma Shares**") as Margaux's Qualifying Transaction (the "**Proposed Transaction**"). In addition and in connection with the Proposed Transaction, Sigma will undertake a brokered private placement of subscription receipts, described in more detail below, with a syndicate of agents that will be co-led by National Bank Financial Inc. and Cormark Securities Inc. (the "**Co-Lead Agents**") and will include Canaccord Genuity Corp.

Item 5.1 Full Description of Material Change

Please see the news release attached hereto as Schedule "A" for a full description of the Material Change.

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

Not applicable.

Item 8. Executive Officer

Further information relating to Margaux may be found on www.sedar.com or by contacting Steve Bajic, President and Director at 604-288-8950.

Item 9. Date of Report

December 22, 2017

SCHEDULE “A”

MARGAUX RED CAPITAL INC. AND SIGMA LITHIUM RESOURCES INC. ANNOUNCE QUALIFYING TRANSACTION

Not for distribution to U.S. newswire services or for dissemination in the United States of America. Any failure to comply with this restriction may constitute a violation of U. S. securities law.

Vancouver, British Columbia: December 22, 2017 – Margaux Red Capital Inc. (NEX-MXC.H) (“**Margaux**” or the “**Company**”) is pleased to announce that it has entered into a share exchange agreement dated December 22, 2017 (the “**Share Exchange Agreement**”) with Sigma Lithium Resources Inc. (“**Sigma**”) and the shareholders of Sigma pursuant to which, among other things, Margaux will acquire all of the issued and outstanding common shares of Sigma (“**Sigma Shares**”) as Margaux’s Qualifying Transaction (the “**Proposed Transaction**”). In addition and in connection with the Proposed Transaction, Sigma will undertake a brokered private placement of subscription receipts, described in more detail below, with a syndicate of agents that will be co-led by National Bank Financial Inc. and Cormark Securities Inc. (the “**Co-Lead Agents**”) and will include Canaccord Genuity Corp.

The Proposed Transaction

Subject to regulatory and other required approvals, and the satisfaction of other conditions contained in the Share Exchange Agreement, the Proposed Transaction will occur via an exchange of shares pursuant to which Sigma’s shareholders will receive common shares in the capital of Margaux (“**Margaux Shares**”) in exchange for 100% of the Sigma Shares based on an exchange ratio that will result in holders of Sigma Shares receiving such number of Margaux Shares (“**Consideration Shares**”) as will result in the Consideration Shares comprising 99% of the outstanding Margaux Shares.

There are currently 50,400,000 Sigma Shares issued and outstanding. Sigma also has outstanding: (i) \$2,800,000 aggregate principal amount of convertible senior unsecured debentures (the “**Sigma Debentures**”); and (ii) 275,400 share purchase warrants (the “**Sigma Warrants**”). Subject to adjustment in accordance with their terms, the Sigma Debentures will convert into an aggregate of 5,600,000 Sigma Shares immediately prior to closing of the Proposed Transaction. Under the terms of the Share Exchange Agreement, the Sigma Warrants, and any additional share purchase warrants of Sigma issued prior to closing of the Proposed Transaction, will be exchanged for Margaux share purchase warrants on the same terms (but applying appropriate extrapolations of the exchange ratio) at closing of the Proposed Transaction.

Private Placement

In connection with the Proposed Transaction, Sigma will also undertake a brokered private placement (the “**Private Placement**”) of subscription receipts (“**Subscription Receipts**”) through a syndicate led by the Co-Lead Agents which is expected to close shortly prior to the closing of the Proposed Transaction. The Private Placement is currently anticipated to be for aggregate gross proceeds of not less than \$10,000,000 and the Subscription Receipts will be automatically exchanged into Sigma Shares immediately prior to closing of the Proposed Transaction. The issue price of the Subscription Receipts will be determined by Sigma and the Co-Lead Agents in the context of the market.

The proceeds of the Private Placement will be used for ongoing exploration and development of the Sigma Lithium Project, described in more detail below, and for working capital and general corporate purposes. Funds from the Private Placement will be held in escrow and will be released to Sigma if the conditions precedent to completion of the Proposed Transaction have been satisfied. If such conditions

are not satisfied by the date that is four months and a day following the closing of the Private Placement, funds will be returned to the subscribers without deduction.

The Subscription Receipts will be offered on a marketed private placement basis pursuant to applicable exemptions from prospectus requirements in Canada, the United States and in jurisdictions outside of Canada and the U.S., in each case in accordance with all applicable laws.

Sigma Lithium Resources Inc.

Sigma was incorporated under the *Business Corporations Act* (British Columbia) on April 13, 2017.

Sigma, through its wholly-owned subsidiary Sigma Mineração S.A., is focused on developing its 100% owned past-producing “Sigma Lithium Project”, located in the state of Minas Gerais, Brazil. Sigma’s property is being evaluated as a potential high grade, hard rock lithium mining prospect and the property hosts numerous prospective lithium bearing pegmatites within its land package of over 15,000 hectares. From August to December 2017, Sigma completed approximately 9,000 meters of drilling at several high priority exploration targets, which will be the subject of Sigma’s initial National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* mineral resource estimate, the independent technical report for which is expected to be completed during Q1 of 2018. Sigma has engaged and is working with SGS Canada Inc. as the primary author of the technical report. Financial statements of Sigma are being prepared for inclusion in the filing statement, described in more detail below, and have not yet been reviewed by Margaux. KPMG LLP has been engaged as the auditor of Sigma. Sigma’s current strategy consists of aggressively developing and advancing the ten lithium pegmatite targets on Sigma’s property.

A10 Investimentos Fundo de Investimento em Participações Recursos Naturais Capital Semente, a Brazilian investment fund, currently holds a controlling interest in Sigma.

Margaux Red Capital Inc.

Margaux is a capital pool company incorporated under the provisions of the *Canada Business Corporations Act* with its registered and head office in Vancouver, British Columbia. Margaux is a “reporting issuer” in the provinces of British Columbia and Alberta.

The Proposed Transaction is an arm's length transaction subject to requisite regulatory approval, including the approval of the TSX Venture Exchange (“**TSXV**”). The parties will prepare a filing statement in accordance with the rules of the TSXV, outlining the terms of the Proposed Transaction.

Margaux currently has 6,696,750 Margaux Shares issued and outstanding. Margaux does not intend to seek shareholder approval for the Proposed Transaction in accordance with the rules of the TSXV.

Board of Directors and Management

Upon completion of the Proposed Transaction, subject to regulatory approval, the directors, senior officers and insiders of Margaux are expected to be as follows:

Calvyn Gardner – Chief Executive Officer and Director – For nearly 20 years, Mr. Gardner has held executive positions at global and junior mining companies such as Anglo American Group and Trans Hex Group. Mr. Gardner also was a co-founder and managing partner of Hardac Investments, a private equity firm focused on investing in junior mining companies in Africa. Hardac’s major co-investors included Lazare Kaplan International in New York (one of DeBeers’ largest customers in the US) and Mvelaphanda Holdings (South Africa’s largest Black Economic Empowerment Group) in Johannesburg.

Mr. Gardner's extensive global career also includes positions such as General Manager of Operations at Highveld Steel and CEO at Trans Hex Group. Mr. Gardner has an MBA as well as a Bachelor of Science Degree in Electrical Engineering.

Marcelo Paiva – Chief Financial Officer – Mr. Paiva is a co-founder of A:10 Investimentos, a Brazil-based mergers & acquisitions, financial advisory and asset management firm. Previously, Mr. Paiva was Portfolio Manager at the Mittal Family Office, and a Vice President at the UK asset manager Millennium Global in London. At Millennium Global, Mr. Paiva was also involved in the management of private equity, equity and fixed income investments for various portfolios run by the firm that totalled over US\$15 billion. Prior thereto, Mr. Paiva worked in the investment banking divisions of Credit Suisse in London and UBS in New York. Mr. Paiva holds an MBA from INSEAD.

Alvaro Barbosa – Chief Legal Officer – Mr. Barbosa is a former partner of two of the largest law firms in Latin America (Mattos Filho Advogados and Tozzini Freire Advogados) in M&A, Corporate Finance and Corporate Matters (Corporate Law, Tax, Labour). Mr. Barbosa's previous experience also includes working as an associate at Skadden, Arps, Slate, Meagher & Flom LLP in New York City. Mr. Barbosa has 30 years of experience in providing legal advice and consulting services; including intense activity in M&A projects, capital markets-related activities, corporate finance and contractual negotiations.

Ana Cristina Cabral – Director – Ms. Cabral is a Managing Partner and co-founder of A:10 Investimentos, a Brazil-based mergers & acquisitions, financial advisory and asset management firm. Ms. Cabral has 24 years of experience as a senior banker at global investment banks in New York, London and Sao Paulo. Ms. Cabral is a former Head of Lat. Am. Capital Markets at Goldman Sachs in New York and a former Managing Director at the firm. Ms. Cabral has been involved in a large number of transactions over her career, totaling more than US\$100 billion, five of which won the prestigious IFR "Deal of the Year" award, including the privatization of Vale in 1996 and the acquisition of Inco by Vale in 2006. Ms. Cabral has an MBA degree from Columbia Business School and a Master in Finance degree from London Business School. Ms. Cabral serves on the Advisory Board of Columbia University Global Centers and is a board member of The American School of Sao Paulo.

Tadeu Carneiro – Director – Prior to retiring in 2017, Mr. Carneiro was CEO of CBMM (the largest producer of Niobium in the world) since 2008. Mr. Carneiro led CBMM through a critical period, where it brought in international partners, doubled its production capacity, and diversified its activities into rare earths. In 2017, Mr. Carneiro retired from CBMM, after having spent his entire career in the company, joining immediately after graduate school in 1988. At CBMM, Mr. Carneiro became one of the world's most prominent experts in niobium and rare earths. Mr. Carneiro has developed an extensive body of work focusing on niobium applications in superconductivity, niobium-nickel super-alloys, niobium-based metallic alloys and special oxides. In his retirement, Mr. Carneiro will be joining MIT in Boston as a professor.

Itamar Resende – Director – Mr. Resende has over 32 years of experience as a CEO and senior executive in the mining sector in Brazil. Mr. Resende has spent most of his career at AMG Advanced Metallurgical Group in both London and Brazil (1985 – 2013), culminating with taking the helm of the company as CEO. Mr. Resende led the development and production of the Mibra project in Brazil, one of the largest tantalite producers in the world. Mr. Resende is also the former CEO of Mineracao Taboca/Minsur Group in Brazil. Currently, Mr. Resende is a consultant to Taboca/Minsur and a founding partner of I9ATIOM³, (Institute for innovation and technology in the production of metals and materials). Mr. Resende has a Master in Electrometallurgy Degree from UFRJ and a Bachelor in Metallurgical Engineering Degree from Universidade Federal de Ouro Preto (1978 – 1982).

Trading Halt

Trading in the Margaux Shares has been halted and may remain halted pending the review of the Proposed Transaction by the TSXV. There can be no assurance that trading in the Margaux Shares will resume prior to the completion of the Proposed Transaction.

Sponsorship

Sponsorship of the Proposed Transaction is required unless an exemption is available or a waiver from this requirement can be obtained in accordance with the policies of the TSXV. Margaux intends to apply for a waiver to the sponsorship requirement in light of the Private Placement being brokered. There is no assurance that a waiver from this requirement will be granted.

Significant Conditions to Completion of the Proposed Transaction

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to: (a) closing conditions customary to transactions of the nature of the Proposed Transaction; (b) approvals of all regulatory bodies having jurisdiction in connection with the Proposed Transaction; (c) TSXV regulatory approval; and (d) the completion of the Private Placement. **There can be no assurance that the Proposed Transaction will be completed as proposed or at all.**

For further information, please contact:

Margaux Red Capital Inc.
Steve Bajic
President
(604) 288-8950
steve@orangecapital.ca

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

This press release does not constitute an offer of the securities of the Company for sale in the United States. The securities of the Company have not been registered under the United States Securities Act of 1933, (the "1933 Act") as amended, and may not be offered or sold within the United States absent registration or an exemption from registration under the 1933 Act. 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 in which such offer, solicitation or sale would be unlawful.

The TSXV has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this news release.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements relating to the Proposed Transaction, including statements regarding timing for closing of the Private Placement, the use of proceeds of the Private

Placement, the exchange of Subscription Receipts, the receipt of all necessary regulatory and other approvals and satisfaction of all other closing conditions in connection with the Proposed Transaction and other statements that are not historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: the risk that the Proposed Transaction will not be completed or that the necessary approvals and/or exemptions are not obtained or some other condition to the closing of the Proposed Transaction will not be satisfied; the risk that closing of the Proposed Transaction could be delayed if Margaux and Sigma are not able to obtain the necessary approvals on the timelines planned; the risk that the Private Placement will not be completed, the timing of obtaining required approvals, closing conditions for the Proposed Transaction, state of the economy in general and capital markets in particular, investor interest in the business and future prospects of Margaux and Sigma.

The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, Margaux and Sigma disclaim any intention and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additionally, Margaux and Sigma undertake no obligation to comment on the expectations of, or statements made, by third parties in respect of the matters discussed above.