

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

Engineer Gold Mines Ltd. (the “Company”)
Suite 804 – 750 West Pender Street
Vancouver BC V6C 2T7

Item 2: Date of Material Change

December 3, 2020

Item 3: News Release

A news release was issued and disseminated on Dec 3, 2020 through The Newswire and filed on SEDAR (www.sedar.com).

Item 4: Summary of Material Changes

Engineer Gold announces purchase agreement with C2C Gold Corp for Tag property.

Item 5: Full Description of Material Change

Engineer Gold Mines Ltd. (the “Company” or “Engineer”) (TSXV: EAU) is pleased to announce that it has entered into a property purchase agreement dated November 26, 2020 (the “Purchase Agreement”) with C2C Gold Corp. (“C2C”) (formerly Taku Gold Corp.) to acquire (the “Acquisition”) a 100% interest in forty-one mineral tenures (the “Property”) situated within the Atlin Mining Division of British Columbia.

The closing of the Acquisition is subject to the approval of TSX Venture Exchange. Under the Purchase Agreement, Engineer is to provide the following aggregate consideration to C2C at closing:

- a) Payment of \$100,000 on or before July 31, 2020 which receipt has been acknowledged;
- b) Payment of \$100,000 on or before February 26, 2021;
- c) Issuance of 2,000,000 common shares of Engineer within five days of TSX Venture Exchange (“TSXV”) approval; and
- d) Payment of 1% net smelter return royalty on the property.

The 1,070 hectare Tag property covers the 025 or Main zone, which contains, as defined by the National Instrument (“NI”) 43-101 Standards for Disclosure for Mineral Projects, an historical mineral resource estimate including 250,000 tonnes of 2.97 g/t Au (cut) and 12.09 g/t Ag (cut), indicated and 400,000 tonnes of 2.98 g/t Au (cut) and 9.91 g/t Ag (cut) inferred, using a minimum core length of 2.0 meters and a cut-off grade of 3.0 g/t gold equivalent (combined gold and silver values), calculated on silver to gold ratio of 59.927. The resource is taken from a technical report filed on SEDAR entitled “Technical Report on Resource Estimates for the Tag Property, Northern British Columbia”, prepared for CZM Capital Corporation by Reddick Consulting Inc. and dated December 29, 2009.

Engineer Gold Mines’ president, Andrew H. Rees stated “The Tag acquisition will be an exciting development for the Company as it is a contiguous expansion of the north end of the Engineer Project. The significant exploration and development work already completed at Tag will provide a wealth of data to Engineer’s technical team and immediately enhance the geological understanding of the Engineer Project. The Company intends to complete the work necessary to classify the historic resource estimate as a current mineral resource.”

Practices consistent with CIM (2005) were applied to the generation of the historical mineral resource estimate and the parameters of the modeling are fully described in the NI 43-101 report referenced above. The estimate uses a vertical cross-sectional polygonal method and is based on 28 diamond drill holes within a 900 meter long extent. It appears to have economic potential that

would be best suited for development by the use of underground mining methods. A qualified person has not done sufficient work to classify the historical estimate as a current mineral resource based on revised practices as per CIM (2014) and should not be treated or relied upon as such. The Company considers the NI 43-101 report to be relevant given that no additional work of significance has been completed since the issuance of the historical Mineral Resource Estimate.

Although old hand trenches were later found, modern exploration on the property was initiated by the discovery of visible gold in an outcrop at the southern end of a 200 to 205 degree trending, steep westerly dipping fault zone (025FZ) by government geologists in 1987-8, from which a sample returned 5.35 g/t Au and 19.0 g/t Ag (Main zone). The 025FZ structure is easily traced by a strong lineament along a distance of 6.5 kilometers within the property boundaries. Work to date on the Tag property includes prospecting and mapping, petrography, fluid inclusion and scanning electron microscope studies, rock and soil geochemistry, airborne and ground geophysics, trenching, 11,476m of drilling in 69 drill holes and the historical NI 43-101 resource estimate.

Regionally, the Tag property is situated at a major flexure within the deep seated, long lived Llewellyn fault zone. The flexing forms dilational openings, favourable for the formation of veins.

The Main zone consists of quartz-minor carbonate veins, stockworks and breccias, commonly with drusy and crustiform textures with fine-grained disseminations and thin veinlets of pyrite and arsenopyrite throughout the fault zone and in the adjacent wall rock contacts. Alteration consists of silica-carbonate with lesser chlorite, sericite and mariposite. The mineralization is hosted by well-bedded sedimentary host rocks including argillites, siltstones, greywackes and conglomerates. Both the mineralization and host rocks are similar to that within the historical Engineer Gold mine workings.

Additional potential exists at depth on the Main zone, in other areas along the 025FZ structure and on the Barney zone, about 3.5 km north of the Main zone. The Barney zone comprises a 5 to 25m wide zone about 250m long. It consists of quartz breccia zones mineralized with pyrite, pyrrhotite and chalcopyrite, associated with sericite-carbonate altered zones along the margins of a quartz diorite stock apparently cut by the 025FZ. A grab sample reportedly returned 7.8 g/t Au.

The southern end of the complex series of fault and shear zones, which comprises the 025FZ structure, exhibits brittle deformation with epithermal style mineralization, which is confirmed by fluid inclusions. Further north, and along the western strands of the fault, more ductile deformation is evident with listwanite alteration, suggestive of structurally hosted orogenic lode gold. Potential exists for both mineral deposit types.

A site visit was completed, and the technical information in this news release reviewed, by Jean Pautler, P.Geol., a qualified person with respect to NI 43-101.

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

Not applicable.

Item 7: Omitted Information

None.

Item 8: Executive Officer

For further information, please contact:
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Item 9: Date of Report

December 7, 2020