

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

### **Item 1 Name and Address of Company**

Valterra Resource Corporation (the "Company")  
1100 – 1199 West Hastings Street  
Vancouver, BC V6E 3T5

### **Item 2 Date of Material Change**

October 21, 2021

### **Item 3 News Release**

A news release was issued in Vancouver, British Columbia on October 25, 2021 and distributed through Newsfile Corp.

### **Item 4 Summary of Material Change**

The Company completes sale of Brazilian assets to Pilar Gold Inc.

### **Item 5 Full Description of Material Change**

See attached news release.

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

This report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

### **Item 7 Omitted Information**

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

### **Item 8 Executive Officer**

The following officer of the Company is knowledgeable about the material change disclosed in this report: Arie Page, Corporate Secretary, Tel: (604) 641-2777

### **Item 9 Date of Report**

October 25, 2021

# Valterra Completes Sale of Brazilian Assets to Pilar Gold Inc.

Vancouver, British Columbia--(Newsfile Corp. - October 25, 2021) - **Valterra Resource Corporation** (TSXV: VQA) (OTCQB: VRSCF) ("Valterra" or "the Company") has now completed the sale to Pilar Gold Inc. ("Pilar Gold") of Poconé Mining Mineração Ltda ("PMM"), which holds a 100% interest in the Lima gold property and a binding agreement to purchase a 100% interest in the Livramento gold property, both located in the Poconé Mining District, Brazil. The transaction has received TSX Venture Exchange approval.

The terms of the transaction are:

- Valterra assigned to Pilar Gold all of its rights and obligations under a purchase agreement dated September 3, 2020 (the "Purchase Agreement"). The Purchase Agreement provided that Valterra would purchase all of the outstanding quotas of PMM, as previously announced in the Company's news release of September 4, 2020;
- Pilar Gold issued to Valterra 4,000,000 common shares in the capital of Pilar Gold at a deemed price of \$0.60 per share representing a purchase price of \$2,400,000 for 100% of Valterra's interest in the Purchase Agreement, subject to upward adjustment contingent upon the issue price of Pilar Gold's proposed IPO;
- Pilar Gold assumed the remaining acquisition payments for PMM's Livramento project of BRL15 million (plus index adjustments);
- Valterra issued to the PMM vendors 8,000,000 common shares and 8,000,000 share purchase warrants, each exercisable to purchase one common share of Valterra at \$0.10 for 4 years pursuant to the terms of the Purchase Agreement;
- Valterra issued to the PMM vendors 4,500,000 common shares at a deemed price of \$0.05 per share in settlement of the outstanding amount of \$225,000 (US\$180,000) in respect of consulting agreements compensation under the Purchase Agreement.

Lawrence Page Q.C., President of Valterra Resource Corporation commented, *"Closing of the transaction with Pilar Gold is the culmination of an 18 month program by the Company to enter the prolific Brazilian gold exploration industry. Notwithstanding COVID-19 restrictions on travel, we were able to acquire rights to two properties and to fund bulk sampling of the Livramento property. As the requirement for substantial funding and retention of explorationist/miners became most difficult with COVID-19 travel restrictions, the decision was made to convert our direct ownership in two properties into an indirect ownership in a number of properties and producing mines with skilled explorationists and miners on staff. We expect that our 4,000,000 shares in Pilar Gold will grow in value while we deploy our capital and personnel in the continued exploration and development of our Swift Katie copper-gold property in B.C. and our Los Reyes copper-gold property in Mexico."*

Jeremy Gray, CEO of Pilar Gold, commented, *"We look forward to deploying Pilar Gold's resources to fully unlock the potential of Lima and Livramento. Pilar Gold has an existing resource base of over 3 million ounces with significant exploration upside, and we intend to build Pilar Gold into a major gold producer in Brazil, with Equinox Gold Corp. as a supportive long-term shareholder. I am confident that Valterra will see the value of its equity stake in Pilar Gold appreciate substantially once we complete our going public transaction, hopefully in the early part of 2022."*

## About Pilar Gold Inc.

Pilar Gold Inc. is a Canadian gold mining company focused entirely on Brazil. On 16 April 2021, Pilar Gold acquired the Pilar gold mine in the central Brazilian state of Goiás from Equinox Gold Corp. With current

production of approximately 40,000 ounces p.a. and significant growth potential, the Pilar gold mine is the flagship asset for Pilar Gold and a strong foundation for an emerging Brazil-focused gold company.

PMM will form the cornerstone for Pilar Gold's operations in the prolific Poconé gold belt in the State of Mato Grosso, Brazil. With decades of hands-on experience in the Poconé region, Pilar Gold's management team intends to develop PMM into a successful regional gold producer.

Pilar Gold Inc. is a private Canadian company with plans to seek a public listing. <sup>(1)</sup>

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<sup>1</sup> Listing of Pilar Gold Inc. is subject to the approval of the applicable stock exchange. There is no guarantee that Pilar Gold Inc. will receive approval for such listing.

## **About Valterra Resource Corporation**

Valterra is a Manex Resource Group Company. The Group provides expertise in exploration, administration, and corporate development services for Valterra's mineral properties located in British Columbia and Mexico. Valterra is advancing its early-stage properties that have the potential to host large deposits in regions with excellent infrastructure. Valterra owns a 100% interest in the Swift-Katie copper gold porphyry property in British Columbia and has an option to earn a 100% interest in the Los Reyes copper-gold property in Mexico.

On behalf of the Board of Directors,

"Lawrence Page"

Lawrence Page Q.C., President, Valterra Resource Corporation

For further information, please visit Valterra's website at [valterraresource.com](http://valterraresource.com) or contact Valterra at 604.641.2759 or by email at [ir@mnx ltd.com](mailto:ir@mnx ltd.com).

*Neither 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. This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. These statements are based on a number of assumptions, including, but not limited to, assumptions regarding general economic conditions, interest rates, commodity markets, regulatory and governmental approvals for Valterra Resource Corporation's projects, and the availability of financing for Valterra Resource Corporation's development projects on reasonable terms. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, the timing and receipt of government and regulatory approvals, and continued availability of capital and financing and general economic, market or business conditions. Valterra Resource Corporation does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law.*



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/100617>