

MATERIAL CHANGE REPORT

1. Name & Address of Company

San Marco Resources Inc.
c/o Suite 704, 595 Howe Street
Vancouver, BC V6C 2T5

2. Date of Material Change

August 9, 2018

3. News Release

A press release dated August 9, 2018 was issued on August 9, 2018 through GlobeNewswire, Inc.

4. Summary of Material Change

San Marco has signed an earn-in agreement with a wholly-owned subsidiary of Antofagasta plc over San Marco's 100% owned Chunibas Project in Sonora State, Mexico.

5.1 Full Description of Material Change

See attached press release.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on subsection 7.1(2) [*Confidential Filing*] of National Instrument 51-102

Not applicable.

7. Omitted Information

None.

8. Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this report:

Christian Grijalva, President and CEO
Tel: +52 662 948 7336

9. Date of Report

August 9, 2018



San Marco Options the Chunibas Project in Mexico to Antofagasta

Vancouver, B.C. – August 9th, 2018: San Marco Resources Inc. (SMN: TSX-V) (“San Marco” or the “Company”) announces it has signed an earn-in agreement (the “Agreement”) with a wholly-owned subsidiary of Antofagasta plc (“Antofagasta”) over San Marco’s 100% owned Chunibas Project in Sonora State, Mexico (the “Project”).

Under the Agreement, Antofagasta can acquire a 70% interest in the Project (the “Earn-In Option”) by expending or incurring US \$8 million in exploration expenditures in respect of the Project (the “Earn-In Expenditures”) and making cash payments for an aggregate amount of US\$ 200,000 over a period of 4 years. Of the Earn-In Expenditures, a firm exploration expenditure commitment of US\$700,000 will be used primarily for an initial drill program. Included in that US\$ 700,000 will be the reimbursement to San Marco of US\$ 100,000 to cover its costs of recent Project exploration expenditures. The initial drill program is anticipated to start as soon as the rainy season ends, and local road conditions improve. San Marco will be the Project operator, under the direction of a Technical Committee consisting of an equal number of members from each company.

San Marco’s CEO Chris Grijalva stated; “We are pleased to have Antofagasta as a partner and look forward to a successful, team approached exploration program on our copper/silver discovery at the Chunibas project. The Project consists of stratiform, volcanic hosted copper-silver mineralization, similar to several ore deposits in northern Chile and is a style of mineralisation not previously discovered in Mexico.

Upon exercise of the Earn-In Option, San Marco and Antofagasta will participate in a joint venture in proportion to their respective interests (30:70) in the Project. If either party’s interest is diluted to 10% or less, the diluting party’s interest will convert into a net smelter return royalty (NSR), ranging from 1% to 2% depending on the circumstances of the dilution.

About The Chunibas Property

The Chunibas property is located approximately 160 kilometres east of Hermosillo, Sonora State; Mexico. The property is comprised of several mining concessions with an overall surface area of 530 hectares.

Chunibas is a stratiform, volcanic hosted copper and silver system represented by mineralized andesitic rocks. Bornite and chalcocite are the main copper minerals that are associated with a primary alteration assemblage of epidote, chlorite, albite and >quartz>calcite>specularite. The mineralized rocks have been recognized over an area of 1700 by 300 metres, and remain open along strike and down dip. Highest assay results include a 6.41% copper and a 27.3 g/ton silver sample.

About San Marco

San Marco Resources Inc. is a Canadian mineral exploration company with a portfolio of promising projects in mining-friendly Mexico, including the Chunibas, 1068 and Espiritu SMR Projects in Sonora State.

San Marco actively pursues a strategic project generation program focused on high-caliber, low acquisition cost opportunities in North-western Mexico. The Company has a committed management team with extensive experience in Mexico and a proven track record of building shareholder value. San Marco currently has 66,286,082 issued and outstanding shares.

**On behalf of the Board of Directors,
Christian Grijalva, B.Sc.
Chief Executive Officer**

**For further information, contact:
Nancy Curry
info@sanmarcocorp.com**

National Instrument 43-101 Disclosure

This news release has been approved by San Marco's Co-Chairman, Robert D. Willis, P. Eng. a "Qualified Person" as defined in National Instrument 43-101, *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators. He has verified the data disclosed, including sampling, analytical and test data, underlying such technical information by reviewing the assay reports provided to San Marco by its independent testing laboratory.

The Company has implemented quality assurance ("QA") and quality control ("QC") programs to ensure sampling and analysis of all exploration work is conducted in accordance with the best possible practices. All sampling programs are carried out in a careful and diligent manner using scientifically established sampling practices designed and tested to ensure that the results are representative and reliable. Quality control programs appropriate to the type of sample and the mineralization are implemented, including such measures as external blanks, standards and duplicate samples. The security of samples from sample acquisition to analysis is a vital component of the sampling process. Procedures include the use of secure core logging, sampling, storage and preparation facilities as appropriate and the prompt, secure and direct shipping of samples to the laboratories. Appropriate sample security procedures are employed given the geographic and topographic conditions and the logistics created by the site location.

Forward Looking Information

Information set forth in this document may include forward-looking statements. While these statements reflect management's current plans, projections and intents, by their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the control of San Marco Resources Inc. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on these forward-looking statements. San Marco's actual results, programs, activities and financial position could differ materially from those expressed in or implied by these forward-looking statements.

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.