

## FORM 51-102F3 - MATERIAL CHANGE REPORT

1. **NAME AND ADDRESS OF COMPANY**

Oroco Resource Corp. (the “Company”)  
1201 – 1166 Alberni Street  
Vancouver, British Columbia V6E 3Z3

2. **DATE OF MATERIAL CHANGE**

September 31, 2018

3. **NEWS RELEASE**

News release dated October 9, 2018 was disseminated through the facilities of Cision.

4. **SUMMARY OF MATERIAL CHANGE**

The Company entered into a definitive option agreement with Altamura Copper Corp. (“Altamura”) and its shareholders whereby the shareholders (the “Optionors”) have granted to the Company the exclusive 3 year option (the “Option”) to acquire the remaining issued and outstanding common shares of Altamura not owned by the Company. The Company currently holds an approximate 13% equity interest in Altamura.

5. **FULL DESCRIPTION OF MATERIAL CHANGE**

The Company entered into a definitive option agreement with Altamura and its shareholders whereby the shareholders have granted to the Company the exclusive option to acquire the remaining issued and outstanding common shares of Altamura not owned by the Company. The Company currently holds an approximate 13% equity interest in Altamura.

The Company may exercise the Option by issuing an aggregate of 39,800,000 (thirty-nine million eight hundred thousand) common shares of Oroco to the Optionors in exchange for all of their common shares of Altamura. Oroco may exercise or terminate the Option in its sole discretion at any time within three years. Oroco also entered into a loan agreement (the “Loan Agreement”) with Altamura to advance, for working capital purposes, an aggregate amount of up to US\$600,000 (the “Loan”), of which US\$275,000 has already been advanced to Altamura. Each advance of a Loan amount is subject to Oroco’s approval at its sole discretion. The Loan is secured by a promissory note, bears interest at the rate of 12% per annum and is re-payable within 90 days of demand, such demand not to be made during the term of the Option. The Company has also entered into an agreement dated September 27, 2018 with Altamura granting the Company the right to convert the Loan into common shares of Altamura at a price of US\$0.057 per share at any time within six months after the expiry or termination of the Option. Altamura currently has 45,750,000 shares issued and outstanding, of which 5,950,000 are held by the Company.

Altamura holds a controlling 65% interest in Xochipala Gold S.A de C.V. (“XG”), which holds the rights to acquire up to a 90% interest in a group of seven mineral concessions (the “Santo Tomas Concessions”) located in Sinaloa, Mexico. The registration of XG’s concession rights is subject to a legal dispute between Compania Minera Ruero, S.A. de CV. (“CMR”), which holds the registered title to the Santo Tomas Concessions, and third parties. CMR is the vendor to XG of the concession rights. Following an extensive legal review, Oroco management and Oroco’s Mexican legal counsel are confident that the legal dispute involves an unenforceable judgement, that the dispute will be favourably resolved, and that the concession titles will be registered to XG. Altamura’s interest in XG may be increased in stages to 90%, effectively an 81% indirect interest in the Santo Tomas Concessions, by funding up to CAD\$30 million in property-related expenditures, with no minimum funding

obligations (see the investment table in the Management Discussion and Analysis filed by the Company on October 1, 2018). In addition, Altamura holds an indirect 50% interest in CMR and an option to acquire both the remaining interests in CMR and the remaining equity of XG for US\$18,000,000.

The Santo Tomas Concessions are subject to a 0.5% (one half of one percent) Net Smelter Royalty in favour of Ruben Rodriguez of Mexico City and a 1% (one percent) Net Smelter Royalty in favour of ATM Mining Corp., a company owned by the spouse of Oroco's President, Craig Dalziel. In furtherance of its acquisition of rights to the Santo Tomas Concessions, which involved the resolution of several legal challenges, Altamura agreed to pay certain fees contingent upon the sale, as a final disposition, of Altamura's interest in the Santo Tomas Concessions to a third party (other than Oroco), as follows: (i) 10% of the sale price, to an aggregate maximum of US\$3.6 million to Mexican legal counsel, of which US\$600,000 is payable six months after the registration of title to the Santo Tomas Concessions to XG, and (ii) 1.5% of such sale price, to an aggregate maximum of US\$4.1 million, to seven persons, of which up to US\$1 million is payable to David Rose, an officer of the Company.

The Option Agreement involves non-arm's length parties pursuant to TSXV policy 5.3. David Rose is one of the Optionors and a senior officer of Oroco. ATM Mining Corp. is also one of the Optionors and a company of which Craig Dalziel, a director of Oroco, and David Rose are directors. Accordingly, David Rose and ATM Mining Corp. are both considered to be non-arm's length parties of Oroco pursuant to the policies of the TSXV. Pursuant to TSXV policy 5.3, the transaction involves non-arm's length parties and the Company is required to provide evidence of value and disinterested shareholder approval.

The Option Agreement also involves a related party pursuant to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). As a senior officer of Oroco and one of the Optionors, David Rose is considered to be a related party of Oroco. The exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 are available for the related party transaction pursuant to section 5.5(a) and section 5.7(1)(a) of MI 61-101 on the basis that, at the time the transaction was agreed to, neither the fair market value of the subject matter of the transaction, nor the fair market value of the consideration for the transaction, insofar as it involves interested parties, exceeds 25% of Oroco's market capitalization.

See attached news release dated October 9, 2018.

6. **RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102**

N/A

7. **OMITTED INFORMATION**

N/A

8. **EXECUTIVE OFFICER**

Craig Dalziel  
President & Chief Executive Officer  
Tel: 604-688-6200

9. **DATE OF REPORT**

October 17, 2018

## SCHEDULE A – NEWS RELEASE

### OROCO SIGNS OPTION AGREEMENT TO ACQUIRE ADDITIONAL INTEREST IN SANTO TOMAS PROPERTIES

**VANCOUVER, British Columbia – (October 9, 2018) Oroco Resource Corp. (TSX-V: OCO) (“Oroco” or the “Company”)** is pleased to announce that further to its news release dated February 23, 2018, Oroco has entered into a definitive option agreement (the “**Option Agreement**”) with Altamura Copper Corp. (“**Altamura**”) and its shareholders (the “**Optionors**”) whereby the Optionors have granted to Oroco the exclusive option to acquire the remaining issued and outstanding common shares of Altamura not owned by Oroco (the “**Option**”). The Company currently holds an approximate 13% equity interest in Altamura.

The Company may exercise the Option by issuing an aggregate of 39,800,000 (thirty-nine million eight hundred thousand) common shares of Oroco to the Optionors in exchange for all of their common shares of Altamura. Oroco may exercise or terminate the Option in its sole discretion at any time within three years. Oroco also entered into a loan agreement (the “**Loan Agreement**”) with Altamura to advance, for working capital purposes, an aggregate amount of up to US\$600,000 (the “**Loan**”), of which US\$275,000 has already been advanced to Altamura. Each advance of a Loan amount is subject to Oroco’s approval at its sole discretion. The Loan is secured by a promissory note, bears interest at the rate of 12% per annum and is re-payable within 90 days of demand, such demand not to be made during the term of the Option. The Company has also entered into an agreement dated September 27, 2018 with Altamura granting the Company the right to convert the Loan into common shares of Altamura at a price of US\$0.057 per share at any time within six months after the expiry or termination of the Option. Altamura currently has 45,750,000 shares issued and outstanding, of which 5,950,000 are held by the Company.

Altamura holds a controlling 65% interest in Xochipala Gold S.A de C.V. (“**XG**”), which holds the rights to acquire up to a 90% interest in a group of seven mineral concessions (the “**Santo Tomas Concessions**”) located in Sinaloa, Mexico. The registration of XG’s concession rights is subject to a legal dispute between Compania Minera Ruero, S.A. de CV. (“**CMR**”), which holds the registered title to the Santo Tomas Concessions, and third parties. CMR is the vendor to XG of the concession rights. Following an extensive legal review, Oroco management and Oroco’s Mexican legal counsel are confident that the legal dispute involves an unenforceable judgement, that the dispute will be favourably resolved, and that the concession titles will be registered to XG. Altamura’s interest in XG may be increased in stages to 90%, effectively an 81% indirect interest in the Santo Tomas Concessions, by funding up to CAD\$30 million in property-related expenditures, with no minimum funding obligations (see the investment table in the Management Discussion and Analysis filed by the Company on October 1, 2018). In addition, Altamura holds an indirect 50% interest in CMR and an option to acquire both the remaining interests in CMR and the remaining equity of XG for US\$18,000,000.

The Santo Tomas Concessions are subject to a 0.5% (one half of one percent) Net Smelter Royalty in favour of Ruben Rodriguez of Mexico City and a 1% (one percent) Net Smelter Royalty in favour of ATM Mining Corp., a company owned by the spouse of Oroco’s President, Craig Dalziel. In furtherance of its acquisition of rights to the Santo Tomas Concessions, which involved the resolution of several legal challenges, Altamura agreed to pay certain fees contingent upon the sale, as a final disposition, of Altamura’s interest in the Santo Tomas Concessions to a third party (other than Oroco), as follows: (i) 10% of the sale price, to an aggregate maximum of US\$3.6 million to Mexican legal counsel, of which US\$600,000 is payable six months after the registration of title to the Santo Tomas Concessions to XG, and (ii) 1.5% of such sale price, to an aggregate maximum of US\$4.1 million, to seven persons, of which up to US\$1 million is payable to David Rose, an officer of the Company.

The Company formed a special committee (the “**Special Committee**”) with a mandate to evaluate, review and report on this transaction and carry out negotiations in good faith on behalf of the Company with regards to the Option Agreement and Loan Agreement. Upon careful consideration

of the proposed Option Agreement and Loan Agreement, the Special Committee made a recommendation to the board of directors of the Company (the “**Board**”) to approve the Option Agreement and the Loan Agreement, and the Board subsequently approved both agreements.

In conjunction with this transaction, the Company intends to carry out a “part and parcel”, non-brokered private placement (the “Private Placement”) of up to 3,000,000 units at a price of \$0.20 (twenty cents) per unit to raise gross proceeds of up to \$600,000. Each unit will consist of one common share and one-half of one common share purchase warrant. Each whole share purchase warrant will be exercisable into one additional common share for a period of 18 months from closing at a price of \$0.32 per share. The Private Placement is subject to its acceptance by the TSX Venture Exchange. The net proceeds of the private placement will be used for the balance of the loans to Altamura, the costs and expenses related to obtaining TSX Venture Exchange and shareholder approvals, and those expenses necessary to the Company’s obligations, under the Agreement, to maintain the Santo Tomas Concessions.

Oroco’s exercise of the Option is subject to closing conditions set out in the Option Agreement, which include: due diligence; completion and review by the Special Committee of a formal valuation report prepared by an independent qualified person in accordance with *National Instrument 43-101 Standards of Disclosure for Mineral Projects* (the “**Valuation**”); TSXV acceptance; and approval by the shareholders of Oroco, as required.

The exercise of the Option will not create any new insiders or control persons and the Oroco shares issuable to the Optionors will be subject to a hold period of four months in accordance with applicable TSXV regulations and securities laws. In addition, 75% of these shares will be subject to a pooling arrangement, pursuant to which the shares will be subject to resale restrictions as follows: (i) 25% of the shares will be subject to a six-month resale restriction; (ii) 25% of the shares will be subject to a twelve-month resale restriction; and (iii) the remaining 25% of the shares will be subject to an eighteen-month resale restriction.

The Option Agreement involves non-arm’s length parties pursuant to TSXV policy 5.3. David Rose is one of the Optionors and a senior officer of Oroco. ATM Mining Corp. is also one of the Optionors and a company of which Craig Dalziel, a director of Oroco, and David Rose are directors. Accordingly, David Rose and ATM Mining Corp. are both considered to be non-arm’s length parties of Oroco pursuant to the policies of the TSXV. Pursuant to TSXV policy 5.3, the transaction involves non-arm’s length parties and the Company is required to provide evidence of value and disinterested shareholder approval.

The Option Agreement also involves a related party pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). As a senior officer of Oroco and one of the Optionors, David Rose is considered to be a related party of Oroco. The exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 are available for the related party transaction pursuant to section 5.5(a) and section 5.7(1)(a) of MI 61-101 on the basis that, at the time the transaction was agreed to, neither the fair market value of the subject matter of the transaction, nor the fair market value of the consideration for the transaction, insofar as it involves interested parties, exceeds 25% of Oroco’s market capitalization.

Having provided the TSXV with certain documentation in support of the contents of this news release, and having received TSXV approval to resume trading, the Company intends to resume trading of its securities at the market opening on October 10, 2018.

#### **Information about the Santo Tomas Concessions:**

The Santo Tomas Concessions are located in Choix, Sinaloa State, Mexico. The names of the seven individual claims and their title numbers are as follows: Roberto Verde, title number 149,672; Bob, title number 149,675; Karisu, title number 209,594; Karisu Fraccion 1, title number 209,595; Tona, title number 215,721; Santo Tomas, title number 212,003; and Esme, title number 211,954. The Santo Tomas mineral camp is characterized by copper porphyry and skarn/replacement style mineralization linked to the Laramide Orogeny (80-40 Ma age). The Santo Tomas Cu-Mo-Au-Ag porphyry mineralization lies mostly on the Santo Tomas Concessions and is associated with a NNE-

trending zone of quartz monzonite porphyry stocks and dikes, hosted in Cretaceous limestone and metamorphosed andesite. The mineralization is primarily comprised of chalcopyrite, pyrite, and molybdenite sulfides with lesser bornite and chalcocite sulfides. Minor oxide copper occurs on surface. Taken together, the porphyry intrusions and mineralization comprise the Santo Tomas mineralization zone.

The Santo Tomas mineralization zone is mapped on surface and drill tested along a strike length of 4 km on the Santo Tomas Concessions and Papago 17 area. The Company has assembled information from historic diamond drilling, rotary and reverse circulation holes from exploration programs spanning 1968 to 1993. In 1994, Mintec, Inc. prepared a mineral resource estimate based on assay information from 14,881 meters of drilling in 49 drill holes drilled by ASARCO and Tormex–Peñoles, and 40 drill holes drilled by Exall Resources Limited (“**Exall**”). During that year, Exall commissioned Bateman Engineering Inc. (“**Bateman**”) to conduct an economic assessment of the Santo Tomas project, based on technical work by a team that included Mintec, Inc., Mountain States Research and Development, Inc., and Minetek S.A. de C.V. In July of 1994, Bateman completed this study, termed “Santo Tomás Project, Sinaloa, Mexico, Pre-Feasibility Study,” and did not use any inferred mineral resource estimates in its work. The economic assessment by Bateman contains favorable metallurgical test results and engineering designs that remain broadly acceptable today. However, the Company considers these historical economic studies and associated mineral resource estimates to be only conceptual in nature until confirmed by current technical programs.

In 2017, the Company initiated a program of mineral exploration in the Santo Tomas mineral camp with surface geological mapping and the assembly of historical drilling information on the Santo Tomas Concessions and surrounding properties. Additionally, Auracle Geospatial Science, Inc. (“**Auracle**”) was contracted to task MDA’s RadarSat 2 satellite for the acquisition of Synthetic Aperture Radar (“SAR”) data for the entire camp. Modeling by Auracle of the SAR data has confirmed and significantly enhanced the structural geology results from the 2017 field mapping by the Company. Historic drilling indicates a well-mineralized zone of quartz monzonite dikes and hornfelsed andesite of the Santo Tomas mineralization zone passes southward from the Santo Tomas Concessions onto the Papago 17 area.

The geological information contained in this news release has been approved by Dane A. Bridge, M.Sc., P. Geol., who is an Independent Qualified Person and who conducted surface geological mapping on the site of the Santo Tomas Concessions and the surrounding properties in 2017.

For further information, please contact:

Mr. Craig Dalziel, President and CEO

Oroco Resource Corp.

*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.*

### ***Cautionary Notes Regarding Forward-looking Statements***

*This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively “forward-looking statements”). Certain information contained herein constitutes “forward-looking information” under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “expects”, “will”, “intends”, “is expected to” and variations of such words and phrases or statements that certain actions, events or results “will” occur. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the*

*Company to be materially different from those expressed by such forward-looking statements. In particular, the Company's expectations regarding the completion of the transactions contemplated in the Option Agreement and Loan Agreement, the outcome of litigation in Mexico, as well as obtaining shareholder approval and exchange acceptance are forward looking statements. There can be no guarantee that the transactions contemplated by the agreements will be completed, the valuation, shareholder approval and exchange acceptance will be obtained, that the outcome of litigation in Mexico will be favourable, or that a strategic alternative will be pursued if the transactions do not proceed. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.*