

Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

Orestone Mining Corp. (the “Company”)
407 - 325 Howe Street
Vancouver, British Columbia
Canada V6C 1Z7

Item 2. Date of Material Change

August 20, 2019 and August 23, 2019

Item 3. News Release

News Releases dated August 21, 2019 and August 26, 2019 were disseminated through Newsfile Corp.

Item 4. Summary of Material Change

The Company completed two tranches of a non-brokered private placement of units by issuing 1,573,750 units at a price of \$0.16 per unit for gross proceeds of \$251,800 on August 20, 2019 and by issuing 2,600,000 units at a price of \$0.16 per unit for gross proceeds of \$416,000 on August 23, 2019. Gross proceeds from both tranches totalled \$667,800 through the sale of 4,173,750 units.

Item 5.1 Full Description of Material Change

The Company completed two tranches of a non-brokered private placement originally announced for \$500,000 on July 8, 2019 and increased to \$650,000 as announced on August 21, 2019 (the “Offering”). In the first tranche which completed on August 20, 2019, the Company issued 1,573,750 units of the Company (each, a “Unit”) for gross proceeds of \$251,800. In the second tranche which completed on August 23, 2019, the Company issued 2,600,000 Units for gross proceeds of \$416,000.

Each Unit consisted of one common share of the Company qualifying as a “flow-through” share pursuant to the *Income Tax Act* (Canada) (a “**Flow-Through Share**”) at a price of \$0.16 per Flow-Through Share and one-half of one common share purchase warrant, with each whole warrant being exercisable to purchase one (non flow-through) common share of the Company at a price of \$0.22 for a term of one year.

The Company will use the proceeds of the Offering to incur qualifying Canadian exploration expenses in connection with exploration drilling on the Company’s Captain Gold Copper Porphyry Project located in British Columbia. The Company will renounce such applicable exploration expenses to subscribers under the Offering.

The shares and warrants issued under the first and second tranches of the Offering and the shares issuable upon exercise of the warrants are subject to hold periods that expire

on December 21, 2019 and December 24, 2019, respectively. The Offering is subject to final approval of the TSX Venture Exchange.

Finders' fees amounting to \$26,040 were paid in connection with the Offering.

Aggregate gross proceeds of the private placement totalled \$667,800 through the sale of 4,173,750 Units.

Certain directors, officers and other insiders of the Company (the “**Insider Placees**”) purchased a total of 165,000 Units under the Offering. These subscriptions constituted “related party transactions” with the Company under applicable securities regulatory rules and policies. The Insider Placees and their Common Share positions before and after completion of the Offering are as follows:

Excluding Common Shares Issuable Pursuant to Exercise of Warrants:

Insider Placee	Number and Percentage of Common Shares Beneficially Owned or Controlled Prior to the Offering	Number of Common Shares Acquired under the Offering	Number of Common Shares Beneficially Owned or Controlled (Directly or Indirectly) After the Offering	Percentage of Common Shares After the Offering⁽¹⁾
David N. Hottman	1,448,300 (6.08%)	100,000	1,548,300	5.53%
Bruce Winfield	400,000 (1.68%)	65,000	465,000	1.66%

(1) Based on issued and outstanding Common Shares on an undiluted basis after completion of the Offering.

Including Common Shares Underlying Warrants Issued under the Offering:

Insider Placee	Number and Percentage of Common Shares Beneficially Owned or Controlled Prior to the Offering	Number of Common Shares Acquired under the Offering⁽¹⁾	Number of Common Shares Beneficially Owned or Controlled (Directly or Indirectly) After the Offering⁽¹⁾	Percentage of Common Shares After the Offering⁽¹⁾
David N. Hottman	1,448,300 (6.08%)	150,000	1,598,300	5.32%
Bruce Winfield	400,000 (1.68%)	97,500	497,500	1.65%

(1) Includes Common Shares underlying Warrants issued under the Offering, but excludes Common Shares underlying other outstanding warrants and options issued by the Company.

The Insider Placees participated in the Offering in order to assist the Company in raising the required funds to pursue its business objectives and for investment purposes. The subscriptions of the Insider Placees contributed \$26,400 of gross proceeds to the Company's treasury. The participation of each Insider Placee in the Offering received directors' approval.

In connection with the Offering, each Insider Placee entered into a Subscription Agreement with the Company that contains customary terms and is in the same applicable form as that entered into by other placees.

The subscriptions for Units by the Insider Placees constituted “related party transactions” within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) adopted in the Policy. The Company has relied on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a), respectively, of MI 61-101 in respect of related party participation in the Offering on the basis that neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the subscriptions for Units by the Insider Placees exceeded 25% of the Company’s “market capitalization” (as calculated for the purposes of MI 61-101). This material change report is not being filed more than 21 days prior to closing of the Offering as the details of the participation of the Insider Placees had not been confirmed at that time.

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**

David N. Hottman, Chief Executive Officer
Telephone: (604) 629-1929

Item 9. **Date of Report**

August 27, 2019