

51-102F3 MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

PAN ANDEAN MINERALS LTD.
Suite 520 – 800 West Pender Street
Vancouver, B.C.
V6C 2V6

Item 2 Date of Material Change

December 20, 2018

Item 3 News Release

A news release was issued in Vancouver, British Columbia on December 20, 2018.

Item 4 Summary of Material Change

The Company Announced Close of Private Placement

Item 5 Full Description of Material Change

The Company announced that it has closed a financing for gross proceeds of \$110,000 through the issuance of 2.2-million units of the company at a price of 5 cents per unit. Each unit will consist of one common share and one common share purchase warrant. Each whole warrant will entitle the holder to acquire one additional common share at an exercise price of 10 cents for a period of 24 months from closing. All securities issued pursuant to this private placement will be subject to a four-month plus one-day hold period (April 21, 2019). The Company intends to use the net proceeds from the private placement for general working capital and alternative business opportunities.

As per Multilateral Instrument 61-101, there were no purchases by insiders.

No finders' fees were paid.

The Company may accelerate the expiry date of the 10 cent warrants, in the event that the closing price of the Company's shares as quoted on the TSXV exceeds thirty cents per share for ten consecutive days by giving notice to the holders, within five days of such event, thereof, and in such case, the warrants will expire on the 30th day after the date on which such notice is given by the Company.

On December 14, 2018, at the Company's AGM shareholders passed all resolutions put before them, including approval of issuing 2,006,000 shares settling outstanding debt of \$100,300 to two former directors of the company. The Company also welcomes Larry Okada and Sung Rock Hwang to the board.

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: Sung Bum “Spencer” Huh, CEO/Director Tel: (604) 355-6463

Item 9 Date of Report

December 20, 2018