

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

**Item 1            Name and Address of Company**

Montero Mining and Exploration Ltd. (the “Company”)  
789 West Pender Street, Suite 1080  
Vancouver, BC Canada V6C 1H2

**Item 2            Date of Material Change**

June 26, 2019.

**Item 3            News Release**

The news release attached hereto as Schedule “A” announcing the material change described herein was disseminated through the news dissemination services of West GlobeNewswire on June 26, 2019.

**Item 4            Summary of Material Change**

The Company announced it has signed a letter of intent to sell 100% of a subsidiary company which holds rare earth intellectual property.

**Item 5            Full Description of Material Change**

**5.1                Full Description of Material Change**

Montero Mining and Exploration Ltd. (“Montero”) has signed a Letter of Intent (“LOI”) with Australian registered Cheetah Resources Pty Ltd (“Cheetah”) to purchase 100% of its British Virgin Island subsidiary company holding its rare earth Intellectual Property (“IP”). Montero previously held a Retention License (“Licenses”) over the Wigu Hill deposit. Changes made in 2017 to the 2010 Mining Act resulted in the Retention Licence classification being abolished and ownership transferred to the Government of Tanzania. Montero has applied for a Mining License over the area once covered by the Retention License. Please see the news release attached at Schedule “A” hereto for a full description of the material change.

**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**

Dr. Tony Harwood  
President and Chief Executive Officer  
Telephone: (416) 840-9197

**Item 9            Date of Report**

June 28, 2019

## SCHEDULE A



### **Montero Announces Sale of Subsidiary for CDN\$1.2 million and a 1% Royalty**

*NOT FOR DISSEMINATION IN THE UNITED STATES OR OVER UNITED STATES NEWSWIRE SERVICES*

**Toronto, Ontario – June 26, 2019** – Montero Mining and Exploration Ltd. (TSX-V: MON or “Montero”) has signed a Letter of Intent (“LOI”) with Australian registered Cheetah Resources Pty Ltd (“Cheetah”) to purchase 100% of its British Virgin Island subsidiary company holding its rare earth Intellectual Property (“IP”). Montero previously held a Retention License (“Licenses”) over the Wigu Hill deposit. Changes made in 2017 to the 2010 Mining Act resulted in the Retention Licence classification being abolished and ownership transferred to the Government of Tanzania. Montero has applied for a Mining License over the area once covered by the Retention License .

Cheetah paid Montero a non-refundable CDN\$100,000 fee on signature of the LOI to acquire the rare earth IP rights to the Wigu Hill deposit. Cheetah will initially fund a CDN\$500,000 development program over 6 months to complete a legal and technical due diligence of the IP. Cheetah will have an option to acquire all Montero’s equity interest for CDN\$1.1 million in Wigu Hill (BVI) Ltd. after which Cheetah will grant and register a 1% net smelter return royalty payable to Montero on any production from the IP and Licenses awarded. Should Cheetah decide at any time not to proceed then all the IP will revert to Montero. The final agreement is also subject to Montero receiving regulatory approval if required.

*Dr. Tony Harwood, President and Chief Executive Officer of Montero commented, “Montero has elected to sell its rare earth intellectual property and assets for CDN\$1,200,000 and retain a 1% net smelter return royalty on any future production. Cheetah Resources is a rare earth resource company and focussed on funding and advancing rare earth projects. The transaction will allow Montero to focus on advancing our lithium projects in Namibia and Chile.”*

Cheetah is an Australian special purpose vehicle company established to focus on the fast-track development of rare earth and other specialty metal projects.

#### **About Montero**

Montero has acquired the Soris lithium-tantalum-tin Project and optioned the UIS lithium-tin tailings Project in Namibia in order to prove up a significant Lithium resources with tin and tantalum credits. The Company has also made a lithium discovery in the Atacama region of northern Chile. Lithium is a critical battery metal. Montero’s focus is to advance its Namibian assets while seeking partners to advance the balance of its assets. Montero trades on the TSX Venture Exchange under the symbol MON.

***For more information, contact:***

**Montero Mining and Exploration Ltd.**

**Dr. Tony Harwood**, President and Chief Executive Officer

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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 STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes certain “forward-looking information” within the meaning of applicable Canadian securities laws. Forward-looking information includes, but is not limited to, statements, projections and estimates. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or

*"will be taken", "occur" or "be achieved". Such information is based on information currently available to Montero and Montero provides no assurance that actual results will meet management's expectations. Forward-looking information by its very nature involves inherent risks and uncertainties that may cause the actual results, level of activity, performance, or achievements of Montero to be materially different from those expressed or implied by such forward-looking information. Actual results relating to, among other things, results of exploration, project development, reclamation and capital costs of Montero's mineral properties, and financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with Montero's activities; and other matters discussed in this news release and in filings made with securities regulators. This list is not exhaustive of the factors that may affect any of Montero's forward-looking statements. These and other factors should be considered carefully and accordingly, readers should not place undue reliance on forward-looking information. Montero does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*