FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Montero Mining and Exploration Ltd. (the "**Corporation**" or "**Montero**")
750 West Pender Street, Suite 401
Vancouver, BC Canada V6C 2T7

Item 2 Date of Material Change

November 20, 2024

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 GlobeNewswire on November 20, 2024.

Item 4 Summary of Material Change

On November 20, 2024, the Corporation reported a US$27,000,000 settlement has been reached with the United Republic of Tanzania ("Tanzania") in the dispute arising out of the expropriation of Montero's Wigu Hill rare earth element project ("Wigu Hill").

The settlement sum of US$27,000,000 (approximately CDN $38,000,000) due to Montero is payable in just over 3 months, with payments scheduled as follows:

- US$12,000,000– payable by 20 November 2024 –PAYMENT RECEIVED
- US$8,000,000– on or before 31 January 2025
- US$7,000,000– on or before 28 February 2025

The settlement sum represents ~39% of the US$70,000,000 initially claimed by Montero. This settlement obviates the need for a costly and time-consuming hearing, the risk of an adverse award, enforcement efforts, and finally concludes a near 7-year dispute.

ICSID Arbitration

Montero and Tanzania have sent a joint request to the arbitral tribunal to suspend the ICSID arbitration proceedings, as the first payment has been received by Montero. Subsequent payments are to be made by the specified dates provided. Provided the final payment has been received by Montero, the parties will request the arbitral tribunal discontinue the ICSID arbitration altogether.

Distribution of Funds

Montero and its litigation funding partner, Omni Bridgeway (Canada) will receive a distribution of the first payment. The second instalment will be distributed to Omni Bridgeway (Canada) and to Montero, and will

also cover Montero's operational needs and legal expenses, including payments to Boies Schiller Flexner UK LLP and Jeantet AARPI. Montero will entirely retain the final instalment.

Montero is planning a return of capital to shareholders where no amount has yet been determined and is subject to accounting review and board approval. In addition, Montero will retain funds to cover legal, taxation, and administrative expenses, including potential costs for arbitral proceedings, or enforcement actions if the second or third instalments are delayed or unpaid. The net amount of the award after repayment to the funder and legal expenses cannot be estimated with certainty and no assurances can be made. Further announcements will be made in due course.

Disclaimer

The conclusion of the ICSID arbitration and payment of the remaining instalments is conditional on Tanzania's compliance with the settlement agreement. The agreement does not provide for any security for the benefit of Montero in case Tanzania would not pay any instalment, in which case Montero can either resume the ICSID arbitration or seek enforcement of the settlement agreement.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see the news release attached hereto as Schedule "A" 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

November 21, 2024

Schedule "A"

Montero Agrees to US$27 Million Settlement from Tanzania

TORONTO, Nov. 20, 2024 -- Montero Mining and Exploration Ltd. (TSX-V: MON) ("**Montero**" or the "**Company**") is pleased to report a US$27,000,000 settlement has been reached with the United Republic of Tanzania ("**Tanzania**") in the dispute arising out of the expropriation of Montero's Wigu Hill rare earth element project ("**Wigu Hill**").

The settlement sum of US$27,000,000 (approximately CDN $38,000,000) due to Montero is payable in just over 3 months, with payments scheduled as follows:

- US$12,000,000– payable by 20 November 2024 –**PAYMENT RECEIVED**
- US$8,000,000– on or before 31 January 2025
- US$7,000,000– on or before 28 February 2025

The settlement sum represents ~39% of the US$70,000,000 initially claimed by Montero. This settlement obviates the need for a costly and time-consuming hearing, the risk of an adverse award, enforcement efforts, and finally concludes a near 7-year dispute.

Dr Tony Harwood, President and CEO of Montero commented: *"I am pleased Montero was able to reach an amicable settlement with the government of Tanzania to bring a mutually beneficial end to this dispute. This resolution allows both parties to move forward, and we wish Tanzania every success in attracting new mining investment. I would like to thank our shareholders, board, management, and our legal and technical teams, for their valuable contribution to this outcome.*"

ICSID Arbitration

Montero and Tanzania have sent a joint request to the arbitral tribunal to suspend the ICSID arbitration proceedings, as the first payment has been received by Montero. Subsequent payments are to be made by the specified dates provided. Provided the final payment has been received by Montero, the parties will request the arbitral tribunal discontinue the ICSID arbitration altogether.

Distribution of Funds

Montero and its litigation funding partner, Omni Bridgeway (Canada) will receive a distribution of the first payment. The second instalment will be distributed to Omni Bridgeway (Canada) and to Montero, and will also cover Montero's operational needs and legal expenses, including payments to Boies Schiller Flexner UK LLP and Jeantet AARPI. Montero will entirely retain the final instalment.

Montero is planning a return of capital to shareholders where no amount has yet been determined and is subject to accounting review and board approval. In addition, Montero will retain funds to cover legal, taxation, and administrative expenses, including potential costs for arbitral proceedings, or enforcement actions if the second or third instalments are delayed or unpaid. The net amount of the award after repayment to the funder and legal expenses cannot be estimated with certainty and no assurances can be made. Further announcements will be made in due course.

Acknowledgments

The Board would like to especially thank Dr. Tony Harwood for reaching this settlement. Without his perseverance and significant efforts to not only develop Wigu Hill initially, but to then safeguard and recover Montero's investment speaks to his dedication and commitment to the Company and shareholders. Special thanks also to directors, the balance of management, our loyal shareholders, legal advisers and accounting team for their steadfast support and dedication throughout nearly seven years of efforts to secure compensation for the Company's investment in the Wigu Hill Rare Earth Project. Montero's legal team includes Timothy Foden of Boies Schiller Flexner (UK) LLP and Martin Tavaut of Jeantet AARPI. Quantum and technical expertise provided by Dr. Neal Rigby of SRK Consulting (USA) Inc. with full dispute funding secured from Omni Bridgeway, a leading global dispute funder. This unwavering commitment enabled the Board to achieve a favourable outcome for the benefit of shareholders.

Disclaimer

The conclusion of the ICSID arbitration and payment of the remaining instalments is conditional on Tanzania's compliance with the settlement agreement. The agreement does not provide for any security for the benefit of Montero in case Tanzania would not pay any instalment, in which case Montero can either resume the ICSID arbitration or seek enforcement of the settlement agreement.

About Montero

Montero has agreed to a US$27,000,000 settlement amount to end its dispute with the United Republic of Tanzania for the expropriation of the Wigu Hill rare earth element project. Montero will continue to seek a joint venture partner to advance its Avispa copper-molybdenum project in Chile. Montero's board of directors and management have an impressive track record of

successfully discovering and advancing precious metal and copper projects. Montero trades on the TSX Venture Exchange under the symbol MON and has 50,122,975 shares outstanding.

For more information, contact:
Montero Mining and Exploration Ltd.
Dr. Tony Harwood, President, and Chief Executive Officer
E-mail: ir@monteromining.com
Tel: +1 604 428 7050
www.monteromining.com

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 with respect to the receipt of the settlement sum of US$27,000,000 and the timing thereof and with respect to the distribution of the settlement funds. 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, completion of the required instalments pursuant to the settlement agreement with Tanzania, satisfactory arrangements for the payment of the arbitration funder and legal expenses, the ability of the Company to find suitable exploration projects, results of exploration, project development, reclamation and capital costs of Montero's mineral properties, and financial condition and prospects, all of which could differ materially from those currently anticipated in such statements for many reasons such as: an inability to obtain payment of the remaining instalment amounts from Tanzania on the terms as announced or at all; unanticipated expenses associated with the settlement; 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.*