

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: **Name and Address of Company**

Atico Mining Corporation (“**Atico**” or the “**Company**”)
501 – 543 Granville Street
Vancouver, BC V6C 1X8

Item 2: **Date of Material Change**

December 16, 2020

Item 3: **News Release**

The news release announcing the material change referred to in this report was disseminated on December 16, 2020 through Globe Newswire and a copy has been filed under Atico’s profile on SEDAR.

Item 4: **Summary of Material Change**

On December 16, 2020 Atico announced the closing of its private placement with Dundee Corporation with respect to the issuance of unsecured convertible debentures (the “**Debentures**”) of the Company for gross proceeds of US\$6.5 million (the “**Offering**”).

Item 5:

5.1 **Full Description of Material Change**

On December 16, 2020 Atico announced the closing of its private placement with Dundee Corporation with respect to the issuance of Debentures of the Company for gross proceeds of US\$6.5 million.

The Debentures will mature five years following the closing date with an interest rate of 7% per annum and, subject to certain terms and conditions, will be convertible into up to an aggregate of 11,627,907 common shares of the Company (the “**Conversion Shares**”) at a conversion price of US\$0.559 per Conversion Share (being CDN\$0.715 per Conversion Share converted into US dollars using the Bank of Canada daily exchange rate for CDN\$ to US\$ on December 4, 2020). The conversion price represents (i) a premium of 42% to the 20-day VWAP, and (ii) a premium of 34% to the 10-day VWAP, of the closing price of the common shares on December 4, 2020. The Debentures, and Conversion Shares issuable upon conversion of the Debentures, will be subject to resale restrictions for a period of four months from the closing date.

The Company may, at its option, redeem the Debentures, in whole or in part, at par plus accrued and unpaid interest. The Company must pay a redemption fee equal to 2% of the principal amount if redeemed between 12 months and 2 years after the date of closing of the Offering and equal to 4% of the principal amount if redeemed within 12 months of such date. No redemption fee will be charged to redeem the Debentures after two years of the date of closing of the Offering. In connection with the Debentures, certain subsidiaries of the Company will grant a guarantee in favour of Dundee Corporation. In connection with the Offering, the Company paid Dundee Goodman Merchant Partners a cash finder’s fee of US\$357,500.00.

The proceeds of the Offering will be used for work on the Company's La Plata project and for general working capital purposes.

5.2 **Disclosure for Restructuring Transaction**

Not applicable.

Item 6: **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

Item 7: **Omitted Information**

Not applicable.

Item 8: **Executive Officer**

For further information, please contact Kim C. Casswell at (604) 633-9022.

Item 9: **Date of Report**

December 23, 2020.