

## MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Enduro Metals Corporation (“**Enduro**” or the “**Company**”)  
202 – 1632 Dickson Avenue  
Kelowna, BC V1Y 7T2

2. **Date of Material Change**

August 17, 2020

3. **News Release**

The news release was issued and disseminated on August 17, 2020 and filed on Enduro’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

4. **Summary of Material Change**

On August 17, 2020 Enduro announced that it had completed a non-brokered private placement for gross proceeds of approximately \$11.18 million (the “**Private Placement**”).

5. **Full Description of Material Change**

On August 17, 2020 the Company announced that it had completed the Private Placement for gross proceeds of approximately \$11.18 million. The Private Placement consisted of the issuance of:

- i. 40,350,000 units of the Company (the “**Units**”) at a subscription price of \$0.25 per Unit for gross proceeds of \$10,087,500. Each Unit is comprised of one common share in the capital of the Company (a “**Common Share**”) and one transferable common share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one additional Common Share of the Company at an exercise price of \$0.38 per share for a period of eighteen months from the date of issue; and
- ii. 3,310,893 common shares in the capital of the Company issued on a flow-through basis (the “**FT Shares**”) in accordance with the provisions of the *Income Tax Act* (Canada) for gross proceeds of \$1,092,594.69.

The Company paid finder’s fees to eligible finders (each a “**Finder**”) as follows: (i) cash fees equal to \$284,778.80; and (ii) 1,068,301 non-transferable finder warrants (the “**Finder Warrants**”). Each Finder Warrant will entitle the holder to purchase one Common Share for a period of 18 months following the Closing (as defined below) at an exercise price of \$0.38 per share with respect to subscriptions received for Units (844,531 Finder Warrants) and at an exercise price of \$0.50 per share for subscriptions received for FT Shares (223,770 Finder Warrants).

Certain directors and officers of the Company (collectively, the “**Insiders**”) subscribed for an aggregate of 240,000 Units pursuant to the Private Placement (the “**Insider Participation**”). Although pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) the Insider Participation constitutes a “related party

transaction”, the Company is relying on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 on the basis that the value of each subscription is less than 25% of the Company’s market capitalization, as determined in accordance with MI-61-101. To the knowledge of the Company, there have been no prior valuations of the Company (as contemplated under MI 61-101) in the 24-month period prior to the date of this report that relate to the subject matter of or that are otherwise relevant to the Private Placement or the Insider Participation.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

This report is not being filed on a confidential basis.

7. **Omitted Information**

No information has been omitted in respect of the material change.

8. **Executive Officer**

For further information, please contact:  
Cole Evans, Chief Executive Officer  
Telephone: 236-420-4050

9. **Date of Report.**

August 18, 2020