FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 — Name and Address of Company

Largo Resources Ltd. (“Largo” or the “Company”)

Item 2 — Date of Material Change

October 26, 2017

Item 3 — News Release

A news release was disseminated on October 26, 2017 through CNW Group and subsequently filed on SEDAR.

Item 4 — Summary of Material Change

Largo announced the results of an independent National Instrument 43-101 – Standards of Disclosure for Mineral Projects Technical Report (the “Technical Report”), containing a Life of Mine Plan for its Maracás Menchen vanadium mine (the Maracás Menchen Mine”) in Bahia, Brazil, a Feasibility Study for Campbell Pit at the Maracás Menchen Mine and, a Preliminary Economic Assessment for Gulçari A Norte, Gulçari B, Novo Amparo, Novo Amparo Norte, Campbell in pit resources and São José satellite deposits at the Maracás Menchen Mine.

Item 5 — Full Description of Material Change

5.1 — Full Description of Material Change

Largo announced the results of an independent National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* Technical Report (the “Technical Report”), containing a Life of Mine Plan ("LOMP") for its Maracás Menchen vanadium mine in Bahia, Brazil (the “Maracás Menchen Mine”), a Feasibility Study (the “FS”) for Campbell Pit at the Maracás Menchen Mine and, a Preliminary Economic Assessment (the “PEA”) for Gulçari A Norte, Gulçari B, Novo Amparo, Novo Amparo Norte, Campbell in pit resources and São José satellite deposits at the Maracás Menchen Mine (the “Satellite Deposits”). Largo retained GE21 Consultoria Mineral Ltda. (“GE21”) to prepare the Technical Report which will be filed on SEDAR within the required 45-day period.

Highlights of the Technical Report include:

- $NPV_{(8\%)}$ post tax is US$ 542 million for the reserves at the Campbell Pit, representing an increase of approximately 195% over the NPV reported for Reserves in Largo's Updated Mine Plan And Mineral Reserve Report filed on July 8, 2016[1].
- $NPV_{(8\%)}$ post tax is US$ 140 million for the mineral resources in the Satellite Deposits.
- Life of operation for the reserves in the Campbell Pit is 11 years.
- An additional mine life of 12 years was estimated, if the Inferred Resources in the Satellite Deposits come to be converted to Mineral Reserves.

1 The increase in NPV is largely the result of the increase in V205 prices and the effect of the expansion projects contemplated by the Technical Report.

- The Technical Report is a “Vanadium Only” study. No value was given for any byproducts at this time, including iron, ilmenite ("TiO2") and PGMs.

- The Technical Report used a long-term vanadium pentoxide ("V2O5") price of US$6.34/lb for the life of mine except for the years 2018 and 2019, where vanadium pentoxide price of US$ 9.00/lb was used.

- The LOMP results indicate an operating life of the Maracás Menchen Mine, including the Satellite Deposits, to be of 23 years.

- The Technical Report contemplates two expansions to increase production at Campbell Pit as follows: in 2019-960 tonnes/month (11,520 tpa) and in 2020-1100 tonnes/month (13,200 tpa).

- The reserves in the Campbell Pit were estimated as follows:

Maracás Vanadium Project Mineral Reserves – Campbell Pit Block dimensions 5x5x5 (m) Mine Recovery 100% - Dilution 5% (Effective Date - May 02, 2017)				
Reserve Category	**Tonnage (kt)**	**% V_2O_5 Head**	**% Magnetics**	**% V_2O_5 Concentrate**
Proven	17,570	1.14	29.66	3.21
Probable	1,440	1.26	33.89	3.20
Total in pit Reserve	19,010	1.15	29.98	3.21

- The mineral resources, estimated under the PEA was as follows:

Satellites Deposits Mine Recovery 100% - Dilution 5%							
Target	**ROM**			**Magnetic Concentrate**			
	Tonnage	**V_2O_5 Head**	**SiO_2 Head**	**Mag***	**Tonnage**	**V_2O_5**	**SiO_2**
	Kt	**%**		**%**	**Kt**	**%**	
Gulçari A Norte e Gulçari B	7,851	0.67	26.82	25.7	2,014	2.63	2.97
Novo Amparo	1,171	0.71	14.18	38.9	456	1.58	1.44
Novo Amparo Norte	9,473	0.81	23.66	28.6	2,714	2.60	2.79
São José	3,860	0.85	23.35	28.8	1,113	2.67	2.29
Campbell inferred	1,736	1.03	28.88	28.2	489	3.06	3.96
Total	**24,090**	**0.78**	**24.55**	**28.2**	**6,785**	**2.60**	**2.79**

*Numbers are rounded to one decimal place.

- GE21 recommended the Satellite Deposits be developed sequentially as follows: Novo Amparo Norte, Gulçari A Norte & Gulçari B, Sao Jose, Campbell in pit resources and Novo Amparo.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the results of the PEA will be realized.

Overview of the Technical Report:

Largo has completed construction, development and ramping up to name plate capacity (9,600 tonnes V2O5/year) at its Maracás Menchen Mine.

The Technical Report was prepared by GE21 and was designed to allow the Company to more fully optimize operations in order to maximize the Maracás Menchen Mine's NPV and is based on the production of V2O5 from the Maracás Menchen Mine's mineral resources as well as from its established mineral reserves. The PEA examines the incremental impact to the mine plan of mining the Satellite Deposits not previously considered. The report does not provide any credit for by-products, however Largo will continue to evaluate the technical and economic viability of all potential by-products.

The Technical Report respects the definition of PEA as described in the CSA Staff Notice 43-307- Mining Technical Report – Preliminary Economic Assessments, issued by the Canadian Securities Administrators on Aug 16, 2012.

Mr. Smith, Largo`s CEO stated that he is pleased with the results of this study indicating that both the increase in the net present value of Largo's operations and the greatly increased mine life that could be achieved as a result of the Satellite Deposits speak to his view of a very bright future for Largo and reinforces that Largo has a world class vanadium operation.

Qualified Persons

Porfírio Cabaleiro Rodriguez, Mining Engineer, BSc (Mine Eng), MAIG employed by GE21 Consultoria Mineral Ltda, Leonardo Apparicio da Silva, Mining Engineer, BSc (Min Eng), MSc (Met Eng), MAIG associated to GE21 Consultoria Mineral Ltda, and Fabio Valerio Xavier, Geologist, BSc, Geol, MAIG associated to GE21 Consultoria Mineral Ltda, are the Qualified Persons as defined in NI 43-101 responsible for the Technical Report and are all independent of the Company.

Quality Control:

The scientific and technical information in the press release was reviewed and approved by Porfírio Cabaleiro Rodriguez, Mining Engineer, BSc (Mine Eng), MAIG, GE21 director; Leonardo Apparicio da Silva, Mining Engineer, BSc (Min Eng), MSc (Met Eng), MAIG; and Fabio Valerio Xavier, Geologist, BSc, Geol, MAIG, both employed by GE21 Consultoria Mineral Ltda, all of whom are Qualified Persons as defined in NI 43-101.

5.2 — Disclosure for Restructuring Transactions

n/a

Item 6 — Reliance on subsection 7.1(2) of National Instrument 51-102

n/a

Item 7 — Omitted Information

n/a

Item 8 — Executive Officer

Ernest Cleave
Chief Financial Officer
416-861-9797

Item 9 — Date of Report

November 6, 2017