

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

**Item 1            Name and Address of Company**

KWG Resources Inc. (the “**Company**” or “**KWG**”)  
141 Adelaide Street West, Suite 240  
Toronto, Ontario M5H 3L5

**Item 2            Date of Material Change**

November 18, 2022

**Item 3            News Release**

A press release describing the material change was disseminated by KWG on November 18, 2022 through Newsfile Corp. and was filed on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

**Item 4            Summary of Material Change**

The Company extended the expiry dates of the warrants issued during 2019 and 2021 (each a “**Warrant**”) to purchase KWG.A multiple voting shares (each a “**Multiple Voting Share**”) so that each such Warrant will have a five-year term from the applicable Warrant’s original date of issuance. The Company also repriced the Warrants.

**Item 5            Full Description of Material Change**

**5.1            Full Description of Material Change**

KWG announced that the time to exercise the Warrants was extended so that each such Warrant will have a five-year term from the applicable Warrant’s original date of issuance. More particularly, 26,864 Warrants will have their expiry date extended to March 15, 2024; 3,808 Warrants will have their expiry date extended to June 17, 2024; 15,048 Warrants will have their expiry date extended to August 26, 2024; and 986,621 Warrants will have their expiry date extended to March 31, 2026, respectively, subject to any necessary cancellations (effective at their original expiry time on December 15, 2022) of some of the Warrants held by insiders to the extent required by the CSE. As a result of the 3:1 subdivision of Multiple Voting Shares which occurred on November 6, 2021, each Warrant entitles its holder to purchase three (3) Multiple Voting Shares until its expiry date. In conjunction with extending the expiry dates of the Warrants, the Company also announced the repricing of the exercise price of these Warrants with the exercise price increasing on their original expiry date of December 15, 2022 from \$7.50 to \$9.60 per Warrant, each such Warrant entitling the holder to purchase three (3) Multiple Voting Shares on or before its new extended expiry date, thereby increasing the effective exercise price from \$2.50 per KWG.A Multiple Voting Share to \$3.20 per KWG.A Multiple Voting Share from December 15, 2022 until the Warrants’ respective extended expiry dates.

**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**

Further information regarding the matters described in this report may be obtained from:

Frank Smeenk, Chief Executive Officer  
tel: (416) 642-3575

**Item 9            Date of Report**

November 25, 2022

**Forward-Looking Statements**

This material change report contains certain “forward-looking statements” or “forward-looking information” (collectively referred to herein as “forward-looking statements”) within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of KWG. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or are events or conditions that “will”, “would”, “may”, “could” or “should” occur or be achieved. Although KWG believes that the material factors, expectations and assumptions informing such forward-looking statements are reasonable based on information available to them on the date such statements were made, no assurances can be given as to future results of such statements.

Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual events to differ materially from those anticipated in such forward-looking statements. These risks include, among others: (a) risks relating to general economic, market and business conditions; and (b) unforeseen delays in the timelines for any of the transactions or events described in this material change report.

Readers are cautioned that the foregoing list of factors is not exhaustive. Statements including forward-looking statements are made as of the date they are given and, except as required by applicable securities laws, KWG disclaims any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this material change report are expressly qualified by this cautionary statement.