

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Alchemist Mining Incorporated (the “**Company**” or “**Alchemist**”)
Suite 2380 – 1055 West Hastings Street
Vancouver, British Columbia, V6E 2E9

Item 2 Date of Material Change

July 27, 2023 and August 4, 2023

Item 3 News Release

The news releases dated July 27, 2023 and August 8, 2023 were disseminated via Newsfile Corp.

Item 4 Summary of Material Change

On July 27, 2023, the Company announced that it retracts its news release dated July 27, 2023 announcing the closing (the “**Closing**”) of its proposed securities exchange agreement dated June 13, 2023 (the “**Securities Exchange Agreement**”) with Aqueous Resources LLC (“**Aqueous**”), a private arm’s length limited liability company based in Denver, Colorado, USA (the “**Transaction**”). The news release was issued in error.

On August 4, 2023, the Company completed the Transaction, pursuant to which the Company acquired all of the outstanding membership interests of Aqueous (collectively, the “**Membership Interests**”) from the holders of the Membership Interests (the “**Members**”), in exchange for common shares (each, a “**Share**”) in the capital of the Company. Upon Closing, Aqueous became a wholly-owned subsidiary of the Company.

Aqueous Limited Liability Company

Aqueous, a company existing under the laws of the State of Colorado, is the sole owner of patent pending technology for an electro-pressure membrane process and method for recovery and concentration of lithium chloride from aqueous sources (the “**Technology**”), and has built a complete pilot system for pre-treating, concentrating, and processing lithium enriched continental brines using their proprietary process in their laboratory facility in Denver. On May 18, 2023, Aqueous won a USD\$250,000 grant from the Advanced Industries Early-Stage Capital and Retention Grant Program, a grant made through the Colorado Office of Economic Development and International Trade, designed to help Colorado-based advanced industries technology businesses develop and commercialize advanced technologies. Aqueous also received a USD\$1,300,000 commitment from the U.S. Department of Energy on July 10, 2023. For details on the grant from the U.S. Department of Energy, see the Company’s press release of July 12, 2023.

Summary of the Transaction

Pursuant to the terms of the Securities Exchange Agreement, Alchemist acquired all the outstanding Membership Interests and as consideration issued 17,500,000 Shares, on a pro rata basis, to the Members at a deemed price equal to \$0.52 per Share. Upon Closing, in accordance with the terms of conditions of the Securities Exchange Agreement, Fredrik Klaveness was appointed as a director to Alchemist’s board. Following the appointment of Mr. Klaveness, Alchemist’s board consists of Scott Taylor, Eric Boehnke, Jennie Choboter, and Fredrik Klaveness.

Fredrik Klaveness, Director

Mr. Klaveness is a private investor with broad experience in building emerging growth companies, particularly within oil & gas services and technology, renewable energy and cleantech. He has 25 years’ experience managing investment portfolios with a focus on early-stage growth opportunities, working closely with a variety of ventures to accelerate their development, growth and value realization. As a Co-founder and Chief Executive

Officer of NLB Water LLC since 2016, Mr. Klaveness is part of a team dedicated to building a comprehensive water treatment technology and recycling services provider for the US on-shore oil & gas industry through innovative and environmentally responsible solutions that reduce costs, minimize waste streams and protect the environment. Mr. Klaveness holds a BSBA from the University of Denver and an MBA from Columbia Business School.

Pursuant to the terms of a finder's fee agreement dated August 4, 2023, an arm's length finder (the "Finder") was issued an aggregate of 1,000,000 Shares (collectively, the "Finder's Shares") at a deemed price of \$0.47 per Finder's Share in connection with the Transaction. The Finder's Shares are subject to a statutory hold period of four months and a day pursuant to relevant Canadian securities laws.

At the time of Closing of the Transaction, the Company had 80,155,976 Shares issued and outstanding, of which approximately 76.9% of the Shares were held by the current shareholders of the Company, approximately 21.8% were held by the former Members and approximately 1.3% are were by the Finder. No change of control or creation of a new control person occurred to the Company as a result of the Transaction.

Voluntary Lock-Up

The Shares issued to the Members in exchange for their respective Membership Interests are subject to a voluntary escrow with such Shares to be released as follows: (a) 10% of the Shares released on Closing; and (b) 15% of the Shares released every six (6) months thereafter.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

See Item 4 above and the News Releases dated July 27, 2023 and August 4, 2023 filed on SEDAR at www.sedarplus.ca for a full description of the material changes.

5.2 Disclosure for Restructuring Transactions

N/A

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

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Contact: Scott Taylor, CEO
Telephone: 604.908.1679

Item 9 Date of Report

August 14, 2023