

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Valdor Technology International Inc. (the “**Company**”)
Suite 810 – 789 West Pender Street
Vancouver, British Columbia V6C 1H2

Item 2 Date of Material Change

July 7, 2023

Item 3 News Release

A news release dated July 10, 2023 concerning this material change was disseminated via Newsfile Corp. and filed under the Company’s profile on SEDAR at www.sedar.com on July 10, 2023.

Item 4 Summary of Material Change

On July 10, 2023, the Company announced that it has entered into a definitive arrangement agreement dated July 7, 2023 (the “**Arrangement Agreement**”) with 1000175307 Ontario Ltd. (“**307**”), an Ontario corporation, pursuant to which the Company will acquire, through a wholly-owned subsidiary, all of the issued and outstanding common shares of 307 (“**307 Shares**”) by way of a court-approved plan of arrangement (the “**Arrangement**”) under the provisions of the *Business Corporations Act* (Ontario) (the “**Transaction**”). Under the terms of the Arrangement, the Company will issue to holders of 307 Shares (“**307 Shareholders**”) one common share in the capital of the Company (each, a “**Common Share**”) at a deemed priced of \$0.10 per Common Share for each 307 Share held, representing aggregate consideration of approximately \$12,170,000.

Item 5.1 Full Description of Material Change

On July 10, 2023, the Company announced that further to its news release dated December 2, 2022 (the “**Initial Press Release**”) it has entered into the Arrangement Agreement with 307, pursuant to which the Company will acquire all of the issued and outstanding 307 Shares by way of the Arrangement. 307 is a party to an option agreement with Minera Atenea S.A., a private Paraguay company (“**MAS**”), pursuant to which 307 has the option to acquire from MAS an 80% interest in and to certain mining rights located in Paraguay (the “**Paraguay Transaction**”), with an additional five percent (5%) interest that may be earned upon 307 making certain payments following the completion of the Paraguay Transaction.

The boards of directors of both the Company and 307 have determined that the proposed Transaction is in the best interests of the respective companies and have therefore unanimously approved the Transaction and recommended that their respective shareholders vote in favour of the Transaction at their respective shareholder meetings.

Transaction Terms

Under the terms of the Arrangement, each 307 Shareholder will receive one Common Share

per 307 Share held. The Common Shares issuable pursuant to the Arrangement represents aggregate consideration of approximately \$12,170,000. The increase in aggregate consideration (as originally set out in the Initial Press Release) accounts for the oversubscribed private placement of 307 Shares at a price of \$0.10 per 307 Share, with gross proceeds exceeding the initial equity financing requirements as set forth in the letter of intent relating to the Transaction and as previously disclosed in the Initial Press Release.

In connection with the Transaction, on December 21, 2022, the Company and 307 entered into a loan agreement and general security agreement in respect of a “line of credit” loan provided by the Company to 307 for up to \$100,000 (the “**Loan**”), bearing interest at a rate of 10.0% per annum. The Loan was used by 307 for general working capital purposes and has since been fully repaid.

Conditions to Completion

Completion of the Arrangement is subject to (i) approval by the Ontario Superior Court of Justice (Commercial List) and (ii) the affirmative vote of respective shareholders of each of the Company and 307 to be held on the same day and currently targeted for late summer 2023. The Arrangement is also subject to customary conditions and receipt of applicable regulatory and third party approvals and consents as may be required to effect and complete the Transaction, including approval of the Canadian Securities Exchange (the “**CSE**”) as the Transaction constitutes a “fundamental change” of the Company pursuant to the policies of the CSE.

Representations, Warranties and Covenants

The Arrangement Agreement contains customary representations and warranties made by each of the Company and 307, and also contains customary provisions, including fiduciary-out provisions, covenants not to solicit other acquisition proposals and the right to match any superior proposal.

Shareholder Meeting

The terms of the Arrangement will be described in further detail in the management information circular of the Company, to be filed with regulatory authorities and mailed to shareholders of the Company in accordance with applicable securities laws.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this report:

Lucas Stemshorn-Russell, CEO
(604) 687-2038

Item 9 Date of Report

July 28, 2023