

FORM 51-102F3

MATERIAL CHANGE REPORT PURSUANT TO REGULATION 51-102

Item 1 - Name and Address of Corporation

Cerro de Pasco Resources Inc. (the “Corporation” or “CDPR”)
68, Ave de la Gare, Suite 205
Saint-Sauveur, Québec J0R 1R0

Item 2 - Date of Material Change

November 27, 2024

Item 3 - News Release

A news release pertaining to the material change being the subject of the present report was issued through Globe Newswire on November 27, 2024 and filed on SEDAR+.

Item 4 - Summary of Material Change

On November 27, 2024, the Corporation announced the closing of a private placement of 50,000,000 units of the Corporation (“Units”) for gross proceeds of \$15,000,000. Please see the disclosure below and the news release of the Corporation dated November 27, 2024 for details.

Item 5 - Full Description of Material Change

5.1 Full Description of Material Change

In addition to the information included in this report pursuant to National Instrument 51-102 - *Continuous Disclosure Obligations*, certain of the following disclosure is required under *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* (“Regulation 61-101”) with respect to the issuance of 16,666,664 Units to 2176423 Ontario Ltd., an entity controlled by Eric Sprott, an insider of the Corporation.

a) a description of the transaction and its material terms

The Corporation announced the closing of (i) a private placement, led by SCP Resource Finance LP (the “Agent”), of 33,333,333 Units at a price of \$0.30 per Unit (the “Offering Price”) on a private placement basis, pursuant to the Listed Issuer Financing Exemption under Part 5A of National Instrument 45-106 - *Prospectus Exemptions* (the “LIFE Offering”), (ii) a concurrent brokered private placement of 15,633,334 Units at the Offering Price (the “Concurrent Brokered Private Placement” and together with the LIFE Offering, the “Brokered Offering”), and (iii) a concurrent non-brokered private placement of 1,033,333 Units at the Offering Price (the “Non-Brokered Private Placement” and collectively with the LIFE Offering and the Concurrent Brokered Private Placement, the “Offerings”), for aggregate gross proceeds to the Corporation of \$15,000,000.

Each Unit consists of (i) one common share in the capital of the Corporation (a “Common Share”) and (ii) one half of one Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles its holder to acquire one Common Share (a “Warrant Share”) at a price of \$0.50, for a period of 24 months.

The Corporation also announced that Eric Sprott, through 2176423 Ontario Ltd., subscribed 16,666,664 Units in the Offerings, for an amount of approximately \$5,000,000. The participation of Mr. Sprott in the Offerings is considered a "related party transaction" within the meaning of REGULATION 61-101.

b) the purpose and business reasons for the transaction

The Corporation intends to use the net proceeds raised from the Offerings for exploration of at the Quiulacocha Tailings Project and for general corporate and working capital purposes.

Mr. Sprott acquired Units for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Corporation including on the open market or through private acquisitions or sell securities of the Corporation including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors.

c) the anticipated effect of the transaction on the issuer's business and affairs

The net proceeds from the Offerings will enhance the Corporation's financial condition and enable the Corporation to achieve its business objectives.

d) a description of

i. the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties

As mentioned above, Eric Sprott, an insider of the Corporation, subscribed 16,666,664 Units in the Offerings, through 2176423 Ontario Ltd., for an amount of approximately \$5,000,000.

ii. the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person referred to in subparagraph (i) for which there would be a material change in that percentage

The acquisition of 16,666,664 Units resulted in an increase of holdings of approximately 3.4% of the outstanding Common Shares on a partially diluted basis (assuming exercise of Warrants) from what was reported in 2176423 Ontario Ltd.'s last early warning report.

Prior to the completion of the Offerings, Mr. Sprott beneficially owned or controlled 64,749,500 Common Shares and 30,000,000 Warrants, representing approximately 14.7% of the outstanding Common Shares on a non-diluted basis and 20.2% on a partially diluted basis assuming the exercise of such Warrants. As a result of the Offerings, Mr. Sprott beneficially owns or controls 81,415,664 Common Shares and 38,333,331 Warrants, representing approximately 16.6% of the outstanding Common Shares on a non-diluted basis and 22.7% on a partially diluted basis assuming the exercise of such Warrants.

Mr. Sprott undertook not to exercise his Warrants where such exercise would cause him, together with any parties acting jointly and in concert with him, to hold more than 20% of the issued and outstanding shares of the Corporation and thereby becoming a new "Control Person", as such term is defined in the policies of the Canada Securities Exchange (the "Exchange"), until such time as the Corporation has sought and obtained disinterested shareholder approval for the creation of such new Control Person or until the Exchange has approved the same.

e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of

directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee

The Offerings were approved pursuant to resolutions unanimously passed by the board of directors of the Corporation in accordance with applicable law. There were no contrary views or disagreements in respect of the matters contemplated by the Offerings and the participation of the Mr. Sprott in the Offerings.

f) a summary, in accordance with section 6.5 of REGULATION 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction

Not applicable.

g) disclosure, in accordance with section 6.8 of REGULATION 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction

i. that has been made in the 24 months before the date of the material change report

Not applicable.

ii. the existence of which is known, after reasonable inquiry, to the issuer or to any director or senior officer of the issuer

Not applicable.

h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction

The Offerings were completed in accordance with, and pursuant to, the terms of an Agency Agreement entered into between the Corporation and the Agent, subscription agreements entered into between each purchaser participating in the Offerings (other than the LIFE Offering) and questionnaires completed by each purchaser participating in the LIFE Offering, including Mr. Sprott. Such agreements contain typical terms and conditions for such agreements, including the agreement of each purchaser to purchase such number of Units at the Offering Price and standard representations and warranties made by each party.

i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of REGULATION 61-101, respectively, and the facts supporting reliance on the exemptions.

The Corporation relied on the exemptions from the formal valuation and minority shareholder approval requirements of REGULATION 61-101 contained in sections 5.5(a) and 5.7(1)(a) of REGULATION 61-101 in respect of related party participation in the Offerings as neither the fair market value (as determined under REGULATION 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, exceeds 25% of the Corporation's market capitalization (as determined under REGULATION 61-101).

The Corporation is filing this material change report less than 21 days before the expected date of the closing of the Offerings as the details of insider participation to the Offerings were not confirmed prior to the closing of the Offerings.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 - Reliance on Section 7.1(2) of Regulation 51-102

Not applicable.

Item 7 - Omitted Information

Not applicable.

Item 8 - Executive Officer

For further information, please contact :

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Item 9 - Date of Report

December 6, 2024.

Forward-Looking Statements and Disclaimer

Certain information contained herein may constitute “forward-looking information” under Canadian securities legislation. Generally, forward-looking information can be identified using forward-looking terminology such as “plans”, “seeks”, “expects”, “estimates”, “intends”, “anticipates”, “believes”, “could”, “might”, “likely” or variations of such words, or statements that certain actions, events or results “may”, “will”, “could”, “would”, “might”, “will be taken”, “occur”, “be achieved” or other similar expressions. Forward-looking statements, including the expectations of management regarding use of proceeds raised under the Offerings, are based on the Corporation’s estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of CDPR to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Forward-looking statements are subject to business and economic factors and uncertainties and other factors, that could cause actual results to differ materially from these forward-looking statements, including the relevant assumptions and risks factors set out in CDPR’s public documents, available on SEDAR+ at www.sedarplus.ca. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Although CDPR believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements and forward-looking information. Except where required by applicable law, CDPR disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.