

FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Mainstream Minerals Corporation (the “**Company**”)
217 Queen Street West, Suite 401
Toronto, ON M5V 0R2

2. **Date of Material Change**

March 22, 2021

3. **News Release**

A press release disclosing the material change was released on March 25, 2021, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company announced that it had entered into a non-arm’s length share purchase agreement with Cejay Kim dated January 15, 2021 (the “**Kim Share Purchase Agreement**”) and an arm’s length share purchase agreement with Michael Blady dated February 17, 2021 (the “**Blady Share Purchase Agreement**”) (the Blady Share Purchase Agreement and the Kim Share Purchase Agreement are collectively referred to as the “**Transaction**”).

5. **Full Description of Material Change**

Pursuant to the Kim Share Purchase Agreement, the Company issued 359,477 common shares (“**Common Shares**”) in the capital of the Company to Mr. Kim at a price of \$0.34 per Common Share in exchange for 1,111,112 common shares (the “**Kim Consideration Shares**”) in the capital of a mining issuer that is listed on the TSX Venture Exchange that were beneficially owned and controlled by Mr. Kim at a fair market value of the Kim Consideration Shares on the date the parties entered into the Kim Share Purchase Agreement.

Pursuant to the Blady Share Purchase Agreement, the Company issued 441,176 Common Shares of the Company to Mr. Blady at a price of \$0.34 per Common Share in exchange for an aggregate of 1,064,351 common shares (the “**Blady Consideration Shares**”) in the capital of certain mining issuers that are listed on the Toronto Stock Exchange, TSX Venture Exchange and Canadian Securities Exchange respectively, that were beneficially owned and controlled by Mr. Blady at a fair market value of the Blady Consideration Shares on the date the parties entered into the Blady Share Purchase Agreement. In addition, Mr. Blady acquired an additional 441,176 Common Shares of the Company pursuant to private share purchase transactions.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

(a) a description of the transaction and its material terms:

In connection with the Transaction, Cejay Kim, an insider of the Company, acquired 359,477 Common Shares of the Company.

(b) the purpose and business reasons for the transaction:

The Company wished to complete the Transaction in order to enhance shareholder value.

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

The purpose of the transaction is to enhance shareholder value.

(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:

Cejay Kim, an insider of the Company, acquired 359,477 Common Shares in connection with the Transaction.

(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 or company referred to in subparagraph (i) for which there would be a material change in that percentage:

Pursuant to the Transaction, Cejay Kim acquired 359,477 Common Shares of the Company. In addition, Mr. Kim disposed of 110,294 Common Shares of the Company pursuant to a private share purchase transaction. Prior to the completion of the Transaction, Mr. Kim beneficially owned or controlled 1,800,000 Common Shares of the Company, representing approximately 10.89% of the issued and outstanding Common Shares on a non-diluted basis. Upon completion of the Transaction, Mr. Kim will beneficially own or control 2,049,193 Common Shares of the Company, representing approximately 11.83% of the issued and outstanding Common Shares on a non-diluted basis.

(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:

A resolution of the board of directors was passed in accordance with the *Canada Business Corporations Act* approving the Transaction. No special committee was established in connection with the Offering, and no materially contrary view or abstention was expressed or made by any director. No directors of the Company participated in the Transaction.

- (f) **A summary in accordance with section 6.5 of MI 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 MI 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 enquiry, to the issuer or to any director or 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:**

Other than the Kim Share Purchase Agreement and the Blady Share Purchase Agreement, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Transaction. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Transaction.

- (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 MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

The Company is relying on exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(a) of MI 61-101, as the Company is not listed on a specified market and the fair market value of the participation in the Offering by the insiders does not exceed 25% of the market capitalization of the Company in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Transaction, which the Company deems reasonable in the circumstances in order to complete the Transaction in an expeditious manner.

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

The report is not being filed on a confidential basis.

7. **Omitted Information**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer**

For further information, contact Jessica Whitton, President and Chief Executive Officer of the Company at (416) 361-1331.

9. **Date of Report**

This report is dated at Toronto, this 1st day of April, 2021.

Cautionary Statement Regarding Forward-Looking Information

This material change report contains certain “forward-looking information” within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “would”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company’s Management’s Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.