

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**

October 4, 2021

3. **News Release**

A press release disclosing the material change was released on October 5th, 2021, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company completed a non-brokered private placement offering of 63,707,024 subscription receipts (each a “**Subscription Receipt**”) at a price of \$0.40 (the “**Issuance Price**”) per Subscription Receipt for aggregate gross proceeds of \$25,482,809.79 (the “**Offering**”).

5. **Full Description of Material Change**

The gross proceeds of the Offering (the “**Escrowed Proceeds**”) are being held in escrow on behalf of the holders of the Subscription Receipts by Capital Transfer Agency ULC (the “**Escrow Agent**”), pursuant to the terms of a subscription receipt agreement (the “**Subscription Receipt Agreement**”) dated October 4, 2021 (the “**Offering Closing Date**”) among the Company and the Escrow Agent. Each Subscription Receipt will be automatically converted, without payment of any additional consideration and without further action on the part of the holder thereof, for one unit (a “**Unit**”) of the Company upon satisfaction or waiver of the escrow release conditions (“**Escrow Release Conditions**”) set out below and in the Subscription Receipt Agreement and prior to a Termination Event (as defined below), subject to adjustment in certain events. The Units to be issued upon conversion of the Subscription Receipts will be comprised of one common share of the Company (a “**Unit Share**”) and one-half of one whole common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will be exercisable by the holder thereof for one common share of the Company (each, a “**Warrant Share**”) at an exercise price of \$0.50 per Warrant Share for a period of five (5) years following the date of issuance, subject to adjustments in certain events.

The Escrow Release Conditions are as follows:

- (a) The receipt of all required corporate, shareholder and regulatory approvals in connection with the Offering and the transaction contemplated by the share purchase agreement dated September 14, 2021 (the “**Share Purchase Agreement**”), with Radio Fuels Resources Corp. (“**Radio Fuels**”) and the shareholders of Radio Fuels (collectively, the “**Vendors**”), pursuant to which the Company has agreed to acquire all of the issued and outstanding shares of Radio Fuels (the “**Transaction**”);
- (b) The completion or the satisfaction of all conditions precedent to the Transaction, substantially in accordance with the definitive agreements relating to the Transaction; and

- (c) The Company having delivered a notice to the Escrow Agent, confirming that the conditions set forth in (a) and (b) above have been met or waived

In the event that: (i) the Escrow Agent does not receive the release notice contemplated by the Subscription Receipt Agreement prior to 5:00 p.m. (Toronto time) on that date which is 180 days after the Offering Closing Date (the “**Escrow Release Deadline**”); or (ii) prior to the Escrow Release Deadline, the Company announces to the public that it does not intend to proceed with the Transaction and/or satisfy the Escrow Release Conditions (each, a “**Termination Event**”), the Escrowed Proceeds (plus any interest accrued thereon) will be returned to the holders of the Subscription Receipts on a *pro rata* basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate Issue Price paid to the holders of the Subscription Receipts, the Company will be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

The net proceeds of the Offering will be used for general corporate purposes. The Subscription Receipts issued pursuant to the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable securities legislation.

In connection with the Offering and upon conversion of the Subscription Receipts, the Company will pay certain eligible persons (the “**Finders**”) a cash commission of \$392,090, equal to 5% of the gross proceeds of the Offering delivered by the Finders and issued 865,850 broker warrants (“**Broker Warrants**”), equal to 5% of the number of Subscription Receipts delivered by the Finders pursuant to the Offering. Each Broker Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.40 per Common Share for a period of one (1) year from the date of issuance. In addition, the Company paid certain eligible persons advisory fees in the aggregate of \$460,050 and were issued an aggregate of 1,133,875 Broker Warrants.

In addition, in connection with the Offering the Company engaged Canaccord Genuity Corp. (“**Canaccord**”) to act as its financial advisor for the Offering. As consideration for their services, the Company paid Canaccord an advisory fee of \$40,000 satisfied through the issuance of 100,000 Subscription Receipts.

The securities that will be issued in connection with the Offering will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined under the U.S. Securities Act) absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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 Daniel Nauth, President and Chief Executive Officer of the Company at (416) 361-2515.

9. **Date of Report**

This report is dated at Toronto, this 14th day of October, 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.