

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**ITEM 1 Name and Address of Company:**

Kuya Silver Corporation (the “**Company**”)  
Suite 200 - 150 King Street West  
Toronto, ON, M5H 1J9

**ITEM 2 Date of Material Change:**

October 9, 2024.

**ITEM 3 News Release:**

A news release dated October 10, 2024 was distributed via Newsfile and subsequently filed on the System for Electronic Document Analysis and Retrieval Plus (SEDAR+) at [www.sedarplus.ca](http://www.sedarplus.ca).

**ITEM 4 Summary of Material Change:**

On October 10, 2024, the Company announced it had closed its convertible financing agreement (the “**Agreement**”) with L1 Capital Global Opportunities Master Fund (the “**Investor**”). Under the terms of the Agreement, the Investor subscribed for, and the Company issued, a unit (“**Unit**”) comprised of a secured convertible debenture of the Company in the principal amount of CAD\$1,000,000 (face value of CAD\$1,111,111) (the “**Debenture**”) and 959,609 common share purchase warrants of the Company (each a “**Warrant**”) exercisable at CAD\$0.435 until April 9, 2027. The Debenture includes an original issue discount of 10% in favour of the Investor. The Company received net proceeds of CAD\$1,000,000, less a 2% transaction fee to the Investor and applicable closing costs. The net proceeds of the financing will provide additional financial flexibility as the Company ramps up its silver mining operations at the Bethania Project, Peru.

**ITEM 5 Full Description of Material Change:**

*5.1 – Full Description of Material Change:*

On October 10, 2024, the Company announced it had closed its **Agreement** with the **Investor**). Under the terms of the Agreement, the Investor subscribed for, and the Company issued, a **Unit** comprised of a Debenture in the principal amount of CAD\$1,000,000 (face value of CAD\$1,111,111) and 959,609 **Warrants** exercisable at CAD\$0.435 until April 9, 2027. The Debenture includes an original issue discount of 10% in favour of the Investor. The Company received net proceeds of CAD\$1,000,000, less a 2% transaction fee to the Investor and applicable closing costs. The net proceeds of the financing will provide additional financial flexibility as the Company ramps up its silver mining operations at the Bethania Project, Peru. The Agreement also contemplates that, at the option of the Company, and provided at the time that the outstanding principal amount of the Debenture is less than CAD\$600,000 and the trading price of the common shares of the Company (each a “**Common Share**”) is more than CAD\$0.25 per share, the Investor shall subscribe for an additional unit (“**Additional Unit**”) comprised of an additional secured convertible debenture of the Company in the principal amount of CAD\$500,000 (face value of CAD\$555,555) (the “**Additional Debenture**”) and a number of Common Share purchase warrants of the Company (each an “**Additional Warrant**”). The Additional Debenture includes an original issue discount of 10% in favour of the Investor, with the Company to receive net proceeds of CAD\$500,000, less a 2% transaction fee to the Investor and applicable closing costs. The number of Additional Warrants comprising the Additional Unit will be equal to the face value of the Additional Debenture divided by the 10-day volume weighted average trading price of the Common Shares prior to the issuance of the Additional Unit, multiplied by 33%. Each Additional Warrant may be exercised to acquire a Common Share for a period of 30 months from the date of issuance. The exercise price of the Additional Warrants will be equal to 130% of the closing price of the Common Shares on the Canadian Securities Exchange (the “**CSE**”) on the day prior

to the date of issuance of the Additional Warrants. The subscription for the Additional Unit shall be completed no later than January 17, 2025, being the later of December 15, 2024 and 100 days following issuance of the Unit. Each of the Debenture and Additional Debenture will have a 15-month term from the date of issuance and will bear an annualized interest rate of 8% calculated daily and paid quarterly in cash or in Common Shares, at the option of the Company. At the option of the Investor, the principal amount of each of the Debenture (up to a maximum of \$1,000,000) and Additional Debenture (up to a maximum of \$500,000), together with accrued interest on such principal amounts, are convertible into Common Shares of the Company at a conversion price equal to the closing price of the Common Shares on the CSE on the last trading day in each of the Company's fiscal quarters. The Company may elect to repay all or part of the Debenture and/or the Additional Debenture prior to the respective maturity dates at an amount equal to 110% of the respective principal amounts, plus accrued interest and interest to the end of the quarter in which the repayment was made. Upon receipt of a notice of repayment, the Investor shall have the option to exclude up to one-third of the then outstanding principal amount of the Debenture and/or the Additional Debenture from such early repayment. The securities underlying the Unit and Additional Unit will not be subject to any statutory hold period under applicable Canadian securities laws.

*5.2 – Disclosure for Restructuring Transactions:*

Not applicable.

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

Not Applicable.

**ITEM 7 Omitted Information:**

Not Applicable.

**ITEM 8 Executive Officer:**

Further information relating to this Material Change Report may be obtained from:

Leah Hodges, Corporate Secretary  
Telephone: (604) 377-0403

**ITEM 9 Date of Report:**

DATED as of October 15, 2024.

**Reader Advisory**

*This material change report contains statements that constitute "forward-looking information," including statements regarding the plans, intentions, beliefs, and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words "may," "would," "could," "will," "intend," "plan," "anticipate," "believe," "estimate," "expect," "must," "next," "propose," "new," "potential," "prospective," "target," "future," "verge," "favourable," "implications," and "ongoing," and similar expressions, as they relate to the Company or its management, are intended to identify such forward-looking information. Without limiting the generality of the foregoing statements, any discussion regarding the proposed use of the proceeds of the financing and the Company's business operations, is forward-looking information. Investors are cautioned that statements including forward-looking information are not guarantees of future business activities and involve risks and uncertainties, and that the Company's future business activities may differ materially from those described in the forward-looking information as a result of various factors, including but not limited to fluctuations in market prices, successes of the operations of the Company, continued availability of capital and financing, and general economic, market, and business conditions. There can be no assurances that such forward-looking information will prove*

*accurate, and therefore, readers are advised to rely on their own evaluation of the risks and uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.*