

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

Australian Goldfields Limited (the “Company”)
Suite 400 – 1681 Chestnut Street
Vancouver, BC V6J 4M6

Item 2: Date of Material Change

March 12, 2021 and March 15, 2021

Item 3: News Release

A news release was issued and disseminated on March 15, 2021 and filed on SEDAR at www.sedar.com.

Item 4: Summary of Material Changes

The Company announced a name change, reactivation with the CSE and the Pilbara property share issuance. See Item 5 below for further details.

Item 5: Full Description of Material Change

The Company announced that, effective at the opening of trading on Monday, March 15, 2021, the Company was reactivated on the Canadian Securities Exchange (the “CSE”) and, concurrent with the reactivation, the Company changed its name from Graphite Energy Corp. to Australian Goldfields Limited to better reflect the direction of the Company’s business. The Company’s common shares commenced trading under the new name and the trading symbol changed from “GRE.X” to “AUGF”. The new CUSIP number for the Company’s common shares is 05258G102 and ISIN is CA05258G1028.

Further to the Company’s news releases of June 22, 2020, July 16, 2020, September 30, 2020, November 18, 2020, December 17, 2020 and March 8, 2021, the Company is pleased to announce that, concurrent with the reactivation on the CSE, and pursuant to the acquisition agreement dated June 16, 2020 (the “**Agreement**”) by and among the Company, Pilbara Gold Group Pty Ltd. (“**Pilbara**”) and the shareholders of Pilbara (the “**Pilbara Shareholders**”), the Company has acquired a 100% ownership of the property package consisting of seven tenements located in five districts in the Beatons River Project area, Pilbara Gold District in Western Australia (the “**Property**”), by way of the purchase of all of the issued and outstanding shares of Pilbara. As consideration, the Company has issued, on a pro rata basis, a total of 7,500,000 common shares (the “**Shares**”) to the Pilbara Shareholders, subject to a four-month hold period and 12 month escrow provision (the “**Transaction**”). All rights to iron and diamonds contained on any of the acquisition tenements remain with the original Pilbara Shareholders.

Pursuant to the agreement, the Company agreed to issue the following Shares of the Company to the Pilbara Shareholders:

- (a) 7,500,000 Shares at a deemed price of \$0.20 per Share on closing of the Transaction;
- (b) 2,500,000 Shares on completion of a drilling program of not less than 4,000 meters on the Property;
- (c) 2,500,000 Shares on the announcement of greater than 500,000 ounces of gold collectively within the Property as defined in a resource calculated compliant to NI 43-101; and
- (d) 2,500,000 Shares on the announcement of greater than 1,000,000 ounces of gold collectively within the Property, as defined in NI 43-101.

Additionally, the parties agreed that a 2% net smelter royalty (“**NSR**”) will be held by the current Pilbara Shareholders on the Property. One percent of the NSR will be made available for purchase by the Company for a purchase price of \$1,500,000 per 1% point. On closing of the Transaction, 100% of the issued and outstanding shares of Pilbara will be assigned to the Company.

The Company has agreed to issue an aggregate of 750,000 Shares (the “**Finder’s Shares**”) at a deemed price of \$0.20 per Finder’s Share to Nathan Rotstein, as consideration for assistance in facilitating the execution of the Agreement.

Details of the transaction are disclosed in the Company’s Form 2A Listing Statement dated March 12, 2021 which has been filed on SEDAR at www.sedar.com and with the CSE. Challenges associated with the Company’s exploration program are set out on page 14 of the Form 2A under the heading “Challenges associated with the Issuer’s Exploration Program”.

Details of the Property are disclosed in the Company’s National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) compliant technical report titled “NI 43-101 Technical Report – Pilbara Gold Projects, Western Australia” dated September 30, 2020 (effective August 13, 2020), prepared by Matthew Stephens, FAIG, B. App.Sc., Senior Consultant Geologist, and Bryan Bourke, Senior Resource Geologist, both of Xplore Resources Pty Ltd. of Brisbane, Queensland, Australia, who are both independent of the Company, which was filed on SEDAR on September 30, 2020.

The Company is at arms’ length to Pilbara and the Pilbara Shareholders.

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

Not applicable.

Item 7: Omitted Information

None.

Item 8: Executive Officer

For further information, please contact:

Adrian Hobkirk,
President, CEO and Director
T: (954) 684-8040

Item 9: Date of Report

March 15, 2021.