

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

1. NAME AND ADDRESS OF COMPANY

Highlander Silver Corp.
Suite 605 – 130 Brew Street
Port Moody, BC V3H 0E3

2. DATE OF MATERIAL CHANGE

October 19, 2023

3. NEWS RELEASE

News release dated October 23, 2023 was disseminated via The Newswire.

4. SUMMARY OF MATERIAL CHANGE

Highlander Silver Corp. completes \$3,000,000 private placement.

5. FULL DESCRIPTION OF MATERIAL CHANGE

Highlander Silver Corp. (the “Company” or “Highlander”) is pleased to announce that, further to its news release dated October 3, 2023, it has completed a \$3 million offering (the “**Offering**”) of 30,000,000 units (the “**Units**”) of the Company. Each Unit is comprised of one common share (a “**Share**”) and one warrant exercisable for one additional Share at a price of \$0.15 per Share for a period of 3 years from the date of issuance.

The Company plans to use the net proceeds for permitting and subsequent drilling at the La Estrella project, ongoing assessment of acquisition opportunities and for general corporate purposes.

Two insiders of the Company subscribed for 15,500,000 Units under the Offering for a total value of \$1,550,000. Each of the insiders’ participation constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). As discussed in the Company’s news release dated October 3, 2023, and early warning report dated October 3, 2023 August Investment Inc.’s participation in the financing results in it being an over 20% control person of the Company, which received shareholder consent in accordance with the policies of the Canadian Securities Exchange. The Company is relying on the exemptions from the formal valuation requirements contained in section 5.5(b) of MI 61-101 and the minority shareholder approval requirement contained in section 5.7(1)(b) of MI 61-101, as the Company is not listed on specified markets and the fair market value of the securities to be distributed to the related parties does not exceed \$2,500,000. The Company did not file a material change report in respect of the related party transactions at least 21 days before the closing of the Offering, as the details of the participation by the related parties were not settled until shortly prior to closing of the Offering.

The securities issued in the Offering are subject to a statutory hold period of four months from the date of issuance.

6. **RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102**

Not applicable.

7. **OMITTED INFORMATION**

Not applicable.

8. **EXECUTIVE OFFICER**

David Fincham, CEO
Telephone: (604) 283-7630

9. **DATE OF REPORT**

October 23, 2023