

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

Item 1 Name and Address of Company

Kraken Energy Corp. (the “Company” or “Kraken”)
400 – 1681 Chestnut Street
Vancouver, BC V6J 4M6

Item 2 Date of Material Change

August 9, 2022

Item 3 News Release

A news release announcing the material change was disseminated on August 11, 2022 and was subsequently filed on SEDAR at www.sedar.com.

Item 4 Summary of Material Change

The Company entered into an option agreement (the “Option Agreement”) dated effective August 9, 2022, with Robert Weicker. See Item 5 for details.

Item 5 Full Description of Material Change

The Company entered into an Option Agreement pursuant to which Kraken, through its wholly-owned subsidiary, holds an option to acquire 100% of certain mining claims, including those encompassing the Garfield Hills Uranium Property, located east of Hawthorne, Nevada.

The Garfield Hills Uranium Property

The Garfield Hills Uranium Property (the “Property”) comprises 36 unpatented Bureau of Land Management (“BLM”) mineral claims covering 720 acres (201 hectares) and is located just south of HWY 95, and 19.3 km (12 miles) east of Hawthorne, in Mineral County, Nevada and is accessible by county-maintained gravel roads that cut across the western portion of the Property.

Historical reports, including from the Nevada Bureau of Mines¹ and a 1977 report by M&M Porcupine Gold Mines Ltd.² describe high grade uranium mineralization on the Property. Historical drill highlights from 1969 include two drill holes located 183 m apart that include 0.258% U₃O₈ over 14 m (46 ft) and 0.175% U₃O₈ over 14 m (46 ft). A third historical drill hole, located 213 m (700 ft) to the east of the initial two drill holes, was reportedly higher grade (no interval or values reported). The uranium mineralized trend was reported to extend east-west for 396 m (1300 feet) and remains open in most directions².

The Company does not treat these historical results as current and has not completed sufficient work to verify such historical results.

The Company plans to conduct an airborne radiometric and magnetic survey followed by prospecting, geological mapping, and geochemical sampling that will lead to a maiden diamond drill program. The property comprises unpatented BLM mineral claims, which are often fully permitted for drilling in 30 to 45 days from the submission of a drill permit application.

The Transaction

Pursuant to the Option Agreement, Kraken may acquire a 100% interest in the Garfield Hills Property upon the following principal terms:

Kraken will spend at least US\$50,000 in Exploration Expenditures on the Property within the first year.

Kraken will make cash payments totaling US\$150,000 within the third year (US\$20,000 upon signing the Option Agreement, US\$30,000 in the first year, US\$50,000 in the second year and US\$50,000 in the third year).

Kraken will issue 250,000 common shares in the Company within the third year (50,000 upon signing the Option Agreement, 50,000 in the first year, 75,000 in the second year and 75,000 in the third year).

Kraken will grant a production royalty equal to 2.0% of the net smelter returns (NSR) from the Property. The Company may, at any time, repurchase 50% of the NSR Royalty for a one-time payment of US\$250,000 by Kraken to the optionor.

References

1 Donald C. Ross, (1961). Geology and Mineral Deposits of Mineral County, Nevada; Bulletin 58, Nevada Bureau of Mines.

2 Londry, John E., 1977, Ule Ann - Little Nickie - Black Hill - Popcorn – Gary Uranium Property Report, Mineral County, Nevada, USA. M&M Porcupine Gold Mines Ltd.

Technical Information

All scientific and technical information in the material change report has been prepared by, or approved by Garrett Ainsworth, PGeo, Chairman of the Board. Mr. Ainsworth is a Qualified Person for the purposes of National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

The drill results reported in the material change report are historical in nature. Kraken has not undertaken any independent investigation of the sampling nor has it independently analyzed the results of the historical exploration work in order to verify the results. The Company believes that the historical drill results at the Garfield Hills Property do not conform to the presently accepted industry standards. Kraken considers these historical drill results relevant as the Company will use this data as a guide to plan future exploration programs. The Company also considers the data to be reliable for these purposes, however, the Company's future exploration work will include verification of the data through drilling.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Garrett Ainsworth
Chairman of the Board

Item 9 Date of Report

August 12, 2022