

## Form 51-102F3

### MATERIAL CHANGE REPORT

**Item 1 Name and Address of Company**

**Teako Minerals Corp.**  
(“Teako” or the “Company”)  
Suite 1100, 1111 Melville Street  
Vancouver, British Columbia V6E 3V6

**Item 2 Date of Material Change**

August 25, 2023

**Item 3 News Release**

A news release dated August 25, 2023 was disseminated via NewsFile and filed on SEDAR with applicable securities commissions.

**Item 4 Summary of Material Change**

Teako closed its private placement for proceeds of \$347,870 and entered into a Shareholder Loan Agreement for \$750,000 from the largest shareholder of the Company.

**Item 5.1 Full Description of Material Change**

Teako closed its previously announced non-brokered private placement (the "Private Placement") for proceeds of \$347,870 from the issuance of 1,585,000 flow-through shares (each a “FT Share”) at a price of \$0.11 per FT Share, and 1,927,999 non-flow-through units (each a “NFT Unit”) at a price of \$0.09 per NFT Unit.

Teako has entered into a Shareholder Loan Agreement (the “**Agreement**”) for \$750,000 (the “Debt”) from the largest shareholder of the Company, Fruchtexpress Grabher GmbH & Co KG (“**FEx**”). The Agreement has a five (5) year term and bears interest at 4% per annum, which will be paid in shares of Teako based on the prior 20-day volume-weighted average price of Teako’s common shares prior to conversion. Pursuant to the terms of the Agreement, Teako expects to pledge 50% of the Company’s 4.9% interest in the shares of The Coring Company (the “**TCC Shares**”) (equal to 2.45% of TCC Shares) as security for its obligations under the Agreement.

The material changes are fully described in the Company’s News Release dated August 25, 2023 attached hereto and as filed on SEDAR.

**Item 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**

Dan Martino, CFO, Corporate Secretary, at 604 525-9409.

**Item 9 Date of Report**

August 25, 2023



*Not for dissemination in the United States or through U.S. newswires*

**Teako Minerals Secures \$750,000 Loan from Largest Shareholder, Closes Private Placement and Engages Drill Contractor for Diamond Drilling on Yellow Moose**

**VANCOUVER, B.C. – August 25, 2023, TEAKO MINERALS CORP. (CSE: TMIN)** (the "Company" or "Teako") is pleased to announce it has closed its previously announced non-brokered private placement (the "**Private Placement**") for proceeds of \$347,870 from the issuance of 1,585,000 flow-through shares (each a "**FT Share**") at a price of \$0.11 per FT Share, and 1,927,999 non-flow-through units (each a "**NFT Unit**") at a price of \$0.09 per NFT Unit.

The Company has also entered into a Shareholder Loan Agreement (the "**Agreement**") for \$750,000 (the "**Debt**") from the largest shareholder of the Company, Fruchtexpress Grabher GmbH & Co KG ("**FEx**").

As the Company strives towards achieving its corporate goals through a modern corporate structure, maintaining a balanced capital structure plays a vital role.

**Highlights:**

- The Company secures a convertible \$750,000 loan from its largest shareholder, FEx.
- Closing of the private placement; raising \$173,520 in NFT Units and \$174,350 in FT Shares.
- Aggregate gross proceeds raised from the loan and the placement equate to \$1,097,870.
- Radius Drilling Corp. has been engaged as the drilling contractor for the Yellow Moose Project, with a diamond drill program anticipated to start in early September.

**The Shareholder Loan Agreement:**

- The Agreement has a five (5) year term and bears interest at 4% per annum, which will be paid in shares of Teako based on the prior 20-day volume-weighted average price of Teako's common shares prior to conversion;
- Pursuant to the terms of the Agreement, Teako expects to pledge 50% of the Company's 4.9% interest in the shares of The Coring Company (the "**TCC Shares**") (equal to 2.45% of TCC Shares) as security for its obligations under the Agreement ([see news release dated August 3, 2023](#)).
- After 24 months, and each anniversary date thereafter until maturity, FEx can demand repayment of the Debt by one of the following (subject to final approval of the CSE):

- (1) Receiving 24.5% of the Company's 4.9% interest of TCC Shares (equal to 1.2% of TCC Shares);
  - (2) By converting the Debt into shares of Teako based on the prior 20-day VWAP; or
  - (3) In cash, however, this option is only available at the maturity date of the Agreement.
- FEx has undertaken not to convert any Debt into shares of Teako that would cause FEx to own in excess of 20% of the issued and outstanding shares of Teako.

This Agreement is founded on a history of collaboration and mutual trust between FEx and the Company. This historical association reinforces the strength of the partnership and lays the groundwork for continued success and growth.

FEx specializes in strategic investments in exploration-stage commodity projects as well as in energy, infrastructure and food companies. FEx has been and continues to be a strong investor in Teako. FEx currently holds 7,700,000 or approximately 15.5% of the issued and outstanding shares of Teako and is also a member of the Service Alliance ([see news release dated May 1, 2023](#)).

Felix Grabher, Chief Executive Officer of FEx, comments, "*We place great value on collaboration and state-of-the-art technology, as well as on the people involved in all parts of the value chain of our core business. We know that Teako is built on the same pillars which makes us very comfortable with our investment in the Company. The Teako team has already proven that they can execute their business plan in a very transparent way. We can rely on them - just as they can rely on us. Based on this strong partnership, we look forward to Teako's development and growth.*"

Sven Gollan, Chief Executive Officer of Teako, comments, "*The mineral exploration market is in dire need of investors like FruchtExpress, who actively work with companies and other shareholders. The current financing also marks a milestone for Teako to fund the development of the Company via new solutions, independently from the usual ways. The entire Teako team is very grateful for the support of strong strategic investors and small shareholders at the same time. Thanks to them, we are here, navigating through the market cycles and building a company according to our business plan.*"

FEx is the largest shareholder and an insider of Teako, and as a result, is a "related party", and the Agreement is considered to be a "related party transaction" within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Teako did not file a material change report more than 21 days prior to the Agreement as the details of the Agreement were not settled until shortly prior to the date thereof, and Teako determined it was in the best interests of the Company to enter into the Agreement on an expedited basis. Teako is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The loan is exempt from the formal valuation and

minority shareholder approval requirements, as neither the fair market value of the subject matter of, nor the fair market valuation of the consideration for, the loan exceeds 25% of the Company's market capitalization.

### **Yellow Moose Project – Drill Contractor:**

Radius Drilling Corporation has been contracted for the drilling operations at the Yellow Moose Project. They are based out of Prince George, BC, Canada and specialize in providing the highest standards in surface diamond drilling. They are cost-effective, and have a proven track record of efficiency, safety, little to no downtime, and professional results.

On August 23, 2023, the Company initiated the construction of a drill access road and pads. Following this, drilling operations are expected to start in early September. Drilling operations are expected to be completed over three weeks. Teako estimates a total of 800 to 1,200 meters of drilling and with a program budget of up to \$300,000.

The drilling program is expected to drill four to six holes, each ranging from 150 to 200 meters in depth.

### **The Closing of The Private Placement:**

The Company has closed its previously announced financing. The non-brokered private placement consists of 1,927,999 **NFT Units** for gross proceeds of \$173,520, and 1,585,000 **FT Shares** for gross proceeds of \$174,350.

Each NFT Unit is comprised of one common share of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**"), with each Warrant entitling the holder thereof to purchase one common share at a price of \$0.20 for a period of 36 months from the closing of the financing. Each FT Share will be comprised of one flow-through common share of the Company within the meaning of the Income Tax Act (Canada).

The Warrants include an acceleration clause to the effect that if at any time after the statutory 4-month and one-day hold period from the closing date, the daily volume weighted average closing price of the common shares on the CSE is at least \$0.40 per share for a period of 10 consecutive trading days (the "**Triggering Event**") the Company may, within five days of the Triggering Event, accelerate the expiry date of the Warrants by giving notice thereof to the holders of the Warrants, by way of a news release, and in such case, the Warrants will expire on the first day that is 30 calendar days after the date on which such notice is given by the Company announcing the Triggering Event.

All securities issued under the Offering are subject to a statutory hold period of four months and one day from the issuance of the shares. The Company did not incur any finders' fees and did not issue any finders' warrants in relation to the Private Placement.

### **Use of Proceeds:**

The gross proceeds from the sale of the FT Shares will be used to incur eligible Canadian Exploration Expenses ("CEE"), primarily at the Company's Yellow Moose project, located in B.C., Canada. The Company will renounce CEE effective on or before December 31, 2023.

The proceeds raised from the non-flow-through component will be used for drilling and exploration work at the advanced district-scale Yellow Moose project, as well as on preliminary exploration work at the Company's Vaddas and Birtavarre copper-cobalt projects, which are situated in the past-producing Vaddas-Birtavarre copper-cobalt and zinc volcanic massive sulfide district of northern Norway. The proceeds will also be used for other strategic objectives in compliance with the corporate strategy, target areas and expenses related to general working capital.

The private placement involved the issuance of common shares to Mr. Kristian Whitehead, a director of the Company. As a result, the private placement is considered to be a "related party transaction" within the meaning of MI 61-101. Teako did not file a material change report more than 21 days prior to the closing of the offering as the details of private placement were not finalized until shortly before closing. Teako is relying on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the subject matter of, nor the fair market valuation of the consideration for, the private placement insofar as it involved related parties, exceeds 25% of the Company's market capitalization.

### **About Teako Minerals Corp.:**

Teako Minerals Corp. is a Vancouver-based mineral exploration company committed to acquiring, exploring, and developing mineral properties in Canada, Norway, and Finland, exploring for Copper, Cobalt, and Gold. The adoption of advanced technologies such as the SCS Exploration Product aligns with its strategy to remain at the forefront of the rapidly evolving mining industry.

### **ON BEHALF OF TEAKO MINERALS CORP.**

*"Sven Gollan"*

CEO

T: +43 5522 500429

Email: [sven.gollan@teakominerals.com](mailto:sven.gollan@teakominerals.com)

### **Forward-Looking Information:**

This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of Teako. Forward-looking information is based on certain key expectations and assumptions made by the management of Teako. In some cases, you can identify forward-looking statements by the use of words such as "will," "may," "would," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "could" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Forward-looking statements in this press release include statements relating to regulatory and other approvals, the Company's business plans and strategies, statements regarding mineral exploration activities and the Company's business plans, statements regarding the Agreement and Debt and the terms thereof, and other Company matters. Although Teako believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Teako can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the mineral exploration industry in general (e.g., operational risks in development, exploration and production; the uncertainty of mineral resource estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), constraint in the availability of services, commodity price and exchange rate fluctuations, changes in legislation impacting the mining industry, adverse weather conditions and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. These and other risks are set out in more detail in Teako's interim Management's Discussion and Analysis dated April 30, 2023.

***The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.***