

51-102F3  
MATERIAL CHANGE REPORT [F]

**Item 1 Name and Address of Company**

Level 14 Ventures Ltd. (the “Company”)  
1400 – 400 Burrard Street  
Vancouver, BC V6C 3A6

**Item 2 Date of Material Change**

November 17, 2021

**Item 3 News Release**

The news release dated November 17, 2017 was issued by Newsfile on November 17, 2021.

**Item 4 Summary of Material Change**

On November 17, 2021, the Company announced that it has entered into a definitive share purchase agreement (the “**Agreement**”), dated November 17, 2021, with each of the shareholders (collectively, the “**Vendors**”) of Bridle Capital Ltd. (“**Bridle**”) to acquire all of the outstanding share capital of Bridle. Bridle is a privately held company that holds an option to acquire a 100% interest in the Colpayoc gold prospect (“**Colpayoc**”) in northern Peru. Colpayoc is comprised of 3 concessions totaling approximately 1,580 hectares (the “**Property**”). As consideration for all of the outstanding share capital of Bridle, the Company will: (i) issue 36 million common shares of the Company to the Vendors; (ii) reimburse expenses in the amount of US\$625,000; and (iii) grant a one percent (1%) net smelter return (“**NSR**”) royalty on the Property (collectively, the “**Transaction**”).

Colpayoc is located approximately 10 kilometers west of the town of Cajamarca, the capital of the Department of Cajamarca, and approximately 18 kilometers southwest of the Yanacocha gold mine. Colpayoc is within the Yanacocha gold district, which is the largest gold district in South America and contains mainly volcanic-hosted epithermal and porphyry-hosted gold mineralization. The main target at Colpayoc is porphyry-hosted gold mineralization.

Upon closing of the Transaction, the Company will acquire all of the outstanding share capital of Bridle and will assume Bridle’s right, through Bridle’s wholly owned Peruvian subsidiary, to earn up to a 100% interest in the Property, which right is exercisable by completing the following:

Two Jose Concessions

- US\$500,000 in cash payments (paid) upon signing and registering the earn-in agreements
- US\$150,000 cash payment upon receiving approvals to undertake exploration commitments
- 75% Option - US\$1,500,000 cash payment & US\$3,000,000 exploration expenditures within 2 years of approvals
- 25% Option - US\$1,500,000 cash payment & US\$2,000,000 exploration expenditures within 4 years of approvals
- 2% NSR royalty (subject to a Company buyback right) granted to the owners upon acquisition of 100% interest

El Ferrol Concession

- US\$50,000 cash payment (paid) upon signing the earn-in agreement
- US\$50,000 cash payment 1 year from signing the earn-in agreement

- US\$75,000 cash payment 2 years from signing the earn-in agreement
- US\$75,000 cash payment 3 years from signing the earn-in agreement
- 2% NSR royalty (subject to a Company buyback right) granted to the owner upon acquisition of 100% interest

The Company has engaged a Qualified Person to prepare a technical report in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“**NI 43-101**”) with respect to the Property. This technical report will include a proposed work program and budget for the exploration and development of the Property.

In connection with the proposed Transaction, the Company expects to complete a non-brokered private placement of shares for aggregate gross proceeds of C\$3,000,000 (the “**Concurrent Financing**”). The Concurrent Financing is expected to be comprised of 15,000,000 shares of the Company at C\$0.20 per share. Net proceeds of the Concurrent Financing are intended to fund the Company’s properties as well as to cover general working capital expenses. Finder’s fees or commissions may be paid in connection with the Concurrent Financing in accordance with the policies of the Canadian Securities Exchange (the “**Exchange**”).

The proposed Transaction is subject to a number of conditions, including, but not limited to, the following: approval of the Exchange; receipt of a technical report with respect to the Property completed in accordance with NI 43-101; due diligence; and receipt of the approval of the shareholders of the Company.

The Company also announced that Christian Uria has been appointed CFO of the Company to replace Victoria McMillan who has resigned due to other commitments.

## **Item 5 Full Description of Material Change**

### *5.1 Full Description of Material Change*

The material change is fully described in Item 4 above and in the News Release filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### **MI 61-101 Requirements**

The Transaction constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”), as David De Witt, an Insider of the Company by way of owning more than 10% (10.24%) of the Company’s issued and outstanding shares, is also a director and controlling shareholder of Bridle.

Further details with respect to the Transaction will be included in the information circular to be mailed to the Company shareholders in connection with the annual general and special meeting to be held on January 25, 2022.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

*(a) a description of the transaction and its material terms:*

See Item 4 above for a description of the Transaction.

*(b) the purpose and business reasons for the transaction:*

The Transaction is being carried out to further the Company’s objective to grow through the acquisition of attractive mineral properties. See Item 4 above for a description of the Transaction.

(c) *the anticipated effect of the transaction on the issuer's business and affairs:*

Following completion of the Transaction, the Company will hold an option to acquire a 100% interest in the Property. See Item 4 above for a description of the Transaction.

(d) *a description of:*

(i) *the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:*

David De Witt, an Insider of the Company by way of owning more than 10% (10.24%) of the Company's issued and outstanding shares, is also a director and controlling shareholder of Bridle. Pursuant to the Transaction, Mr. De Witt shall receive: (i) 30 million of the 36 million common shares of the Company issued to the Vendors; (ii) reimbursement of his expenses in the amount of US\$625,000; and (iii) the one percent (1%) NSR royalty on the Property.

(ii) *the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:*

The following table sets out the effect of the Transaction on the percentage of securities of the Company beneficially owned or controlled by Mr. De Witt:

Name	Dollar Amount of Securities	Number of Securities	No. of Securities Held prior to the Issuance	Percentage of Issued and Outstanding Securities prior to the Issuance	No. of Securities Held After the Issuance	Percentage of Issued and Outstanding Securities After the Issuance
David De Witt	\$4,800,000	30,000,000 common shares	Undiluted: 4,000,000	Undiluted: 10.24% <sup>(1)</sup>	Undiluted: 34,000,000	Undiluted: 45.28% <sup>(3)</sup>
			Diluted: 4,000,000	Diluted: 5.89% <sup>(2)</sup>	Diluted: 34,000,000	Diluted: 32.71% <sup>(4)</sup>

<sup>(1)</sup> Based on 39,080,501 Shares outstanding prior to the Transaction.

<sup>(2)</sup> Based on 67,946,501 Shares comprised of: (a) 39,080,501 Shares outstanding prior to the Transaction; (b) 1,700,000 Shares that may be issued on exercise of options; and (c) 27,166,000 Shares that may be issued on exercise of warrants.

<sup>(3)</sup> Based on 75,080,501 Shares outstanding after the completion of the Transaction.

<sup>(4)</sup> Based on 103,946,501 Shares comprised of: (a) 75,080,501 Shares outstanding after the completion of the Transaction; (b) 1,700,000 Shares that may be issued on exercise of options; and (c) 27,166,000 Shares that may be issued on exercise of warrants.

(e) *unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:*

The board of directors approved the Transaction. A special committee was not established in connection with the approval of the Transaction and no materially contrary view or abstention was expressed or made by any director.

- (f) *a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:*

Not applicable.

- (g) *disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:*

- (i) *that has been made in the 24 months before the date of the material change report:*

Not applicable.

- (ii) *the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:*

Not applicable.

- (h) *the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:*

See Item 4 above for a description of the Transaction. Further details with respect to the Transaction will be included in the information circular to be mailed to Company shareholders in connection with the annual and special meeting to be held on January 25, 2022.

- (i) *disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:*

The Transaction is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in Section 5.5(b) as the Company's shares are not listed on a specified market. The Company intends on obtaining minority shareholder approval under the requirements of MI 61-101.

#### *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**

None

#### **Item 8 Executive Officer**

Christian Uria, Chief Financial Officer, 778.945.3951

#### **Item 9 Date of Report**

November 29, 2021