

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

ITEM 1. NAME AND ADDRESS OF COMPANY

Prospect Ridge Resources Corp. (the "**Company**")
488 – 1090 West Georgia St.
Vancouver, BC V6E 3V7

ITEM 2. DATE OF MATERIAL CHANGE

December 16, 2021

ITEM 3. NEWS RELEASE

Issued on December 16, 2021, and distributed through the facilities of GlobeNewswire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced that further to its news release dated October 29, 2021, the Company completed its \$1.00 unit private placement (the "**Private Placement**") for gross proceeds of \$1,263,000. The Company issued 1,263,000 units (the "**Units**"), with each Unit consisting of one common share in the capital of the Company (a "**Share**") and one-half of one Share purchase warrant (a "**Warrant**").

ITEM 5.1 FULL DESCRIPTION OF MATERIAL CHANGE

The Company announced that it closed the Private Placement of 1,263,000 Units for gross proceeds of \$1,263,000.

The Company issued 1,263,000 Units with each unit consisting of one Share and one-half of one Warrant. Each whole Warrant will entitle the holder, on exercise thereof, to purchase one additional Share of the Company at a price of \$1.50 per Share for a period of 18 months from the date of issuance, subject to a forced exercise clause in the event that the trading price of the Shares equals or exceeds \$2.25 for 10 consecutive days.

The funds raised in the Private Placement will be used for drilling purposes on the Holy Grail and Knauss Creek projects, marketing and public relations and for general working capital purposes.

In connection with the Private Placement, the Company issued 75,110 non-transferable finders' warrants (the "**Finders' Warrants**") and paid commissions of approximately \$75,110 to certain finders on a portion of the Private Placement. Each Finders' Warrant will entitle the holder, on exercise thereof, to purchase one additional Share of the Company at a price of \$1.50 per Share for a period of 18

months from the date of issuance, subject to a forced exercise clause in the event that the trading price of the Shares equals or exceeds \$2.25 for 10 consecutive days.

In accordance with applicable securities laws, all securities issued pursuant to the Private Placement will be subject to a four-month hold period.

ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTION

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

Contact: Michael Iverson, Chief Executive Officer and Director
Telephone: 604-351-3351

ITEM 9. DATE OF REPORT

December 23, 2021