

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

ITEM 1 Name and Address of Company:

Wedgemount Resources Corp. (the “**Company**”)
40440 Thunderbird Ridge B1831
Garibaldi Highlands, BC, V0N 1T0

ITEM 2 Date of Material Change:

August 21 and August 23, 2024.

ITEM 3 News Release:

News releases dated August 22 and August 26, 2024, were distributed via Newsfile and subsequently filed on SEDAR+ at www.sedarplus.ca.

ITEM 4 Summary of Material Change:

On August 22, 2024, the Company announced it had closed the first tranche (the “**First Tranche**”) of its non-brokered private placement (the “**Offering**”) of convertible debenture units (the “**Debenture Units**”) of the Company at a price of CAD\$1,000 per Debenture Unit. Under the First Tranche, a total of 1,615 Debenture Units were sold for gross proceeds of \$1,615,000. Each Debenture Unit is comprised of CAD\$1,000 principal amount of unsecured redeemable convertible debenture (a “**Debenture**”) and 2,941 common share purchase warrants (each, a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one common share of the Company (each a “**Common Share**”) at a price of CAD\$0.30 for a period of thirty-six (36) months from the date of issuance thereof. The Convertible Debentures will bear interest at a rate of 10.0% per annum, calculated and payable semi-annually in arrears, commencing February 24, 2025 and maturing thirty-six (36) months from the date of issuance (the “**Maturity Date**”). The principal amount of each Convertible Debenture will be convertible into Common Shares of the Company at a price of CAD\$0.17 at the option of the holder of a Convertible Debenture at any time prior to the close of business on the Maturity Date. On or after August 24, 2025 the Convertible Debentures may be redeemed in whole or in part from time to time at the option of the Company at CAD\$1,050 plus accrued and unpaid interest. Under the Offering, the Company issued a total of 30 finder’s Debentures equal in number to up to 5% of the number of Debenture Units sold by the respective finder, together with 88,230 finder’s warrants (the “**Finder’s Warrants**”). Each Finder’s Warrant is exercisable to purchase one common share of the Company at a price of CAD\$0.30 for a period of 36 months following closing of the First Tranche. The Convertible Debentures are unsecured obligations of the Company and are subordinated in right of payment of principal and interest to all secured debt and to all existing and future senior indebtedness of the Company and senior to any of the Company’s future debt that is expressly subordinated to the Convertible Debentures. The net proceeds received by the Company from the Offering will be used for the acquisition of additional oil and gas assets (the “**Huggy Assets**”) located in the Permian Basin of west central Texas and for continued optimization of the Company’s operated oil and gas assets.

On August 26, 2024 the Company announced that it had closed the acquisition of additional oil and gas assets know as the **Huggy Assets** located in the Permian Basin of west central Texas pursuant to a Purchase and Sale Agreement (“**PSA**”) with an arm’s length private company (the “**Seller**”) located in Texas, USA.

ITEM 5 Full Description of Material Change:

5.1 – Full Description of Material Change:

On August 22, 2024, the Company announced it had closed the First Tranche of its Offering of Debenture Units of the Company at a price of CAD\$1,000 per Debenture Unit. Under the First Tranche, a total of 1,615 Debenture Units were sold for gross proceeds of \$1,615,000. Each Debenture Unit is comprised of CAD\$1,000 principal amount of unsecured redeemable Debenture and 2,941 Warrants. Each Warrant will entitle the holder thereof to purchase one Common Share at a price of CAD\$0.30 for a period of thirty-six (36) months from the date of issuance thereof. The Convertible Debentures will bear interest at a rate of 10.0% per annum, calculated and payable semi-annually in arrears, commencing February 24, 2025 with Maturity Date thirty-six (36) months from the date of issuance. The principal amount of each Convertible Debenture will be convertible into Common Shares of the Company at a price of CAD\$0.17 at the option of the holder of a Convertible Debenture at any time prior to the close of business on the Maturity Date. On or after August 24, 2025 the Convertible Debentures may be redeemed in whole or in part from time to time at the option of the Company at CAD\$1,050 plus accrued and unpaid interest. Under the Offering, the Company issued a total of 30 finder's Debentures equal in number to up to 5% of the number of Debenture Units sold by the respective finder, together with 88,230 Finder's Warrants. Each Finder's Warrant is exercisable to purchase one common share of the Company at a price of CAD\$0.30 for a period of 36 months following closing of the First Tranche. The Convertible Debentures are unsecured obligations of the Company and are subordinated in right of payment of principal and interest to all secured debt and to all existing and future senior indebtedness of the Company and senior to any of the Company's future debt that is expressly subordinated to the Convertible Debentures. The net proceeds received by the Company from the Offering will be used for the acquisition of the Huggy Assets located in the Permian Basin of west central Texas and for continued optimization of the Company's operated oil and gas assets. One Insider of the Company participated in the Offering, acquiring 500 Debentures and 1,470,500 Warrants. As such, the closing of the Offering may constitute a related party transaction under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"), but is otherwise exempt from the formal valuation and minority approval requirements of MI 61-101 by virtue Sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of any securities issued to, nor the consideration paid by such person, exceeds 25% of the Company's market capitalization. The securities issued pursuant the Offering are subject to a statutory four month and one day hold period, which expires on December 22, 2024.

On August 26, 2024 the Company announced that it had closed the acquisition of additional oil and gas assets know as the Huggy Assets located in the Permian Basin of west central Texas pursuant to a PSA with an arm's length Seller located in Texas, USA. Under the PSA, the Company has acquired a 100% working interest in the Huggy Assets which cover 20,000 acres of 37 oil and gas leases, hosting 111 producing wells, eight injectors and all surface facilities. Current production from the 111 wells is approximately 72 boe/d of high-quality, low-decline operated production. The area's geology consists of numerous hydrocarbon-producing formations, which management anticipates will be targeted by the Company. The Company made total cash payments to the Seller of US\$840,000 for the Huggy Assets, adjusted from the previously announced total purchase price of US\$900,000.

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:

Further information relating to this Material Change Report may be obtained from:

Leah Hodges, Corporate Secretary
Telephone: (604) 377-0403

ITEM 9 Date of Report:

August 26, 2024.

This material change report may contain statements which constitute “forward-looking information”, including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities and involve risks and uncertainties, and that the Company’s future business activities may differ materially from those in the forward-looking statements as a result of various factors, including, but not limited to, availability of funds, personnel and other resources necessary to conduct exploration or development programs, successes of the Company’s exploration efforts, availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.