

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

1. **Name and Address of Company**

Mayo Lake Minerals Inc. (the “**Company**”)
Unit 2, 110 Westhunt Drive
Carp, Ontario, K0A 1L0

2. **Date of Material Change**

December 30, 2021

3. **News Release**

A press release disclosing the material change was released on December 30, 2021, through the facilities of Newsfile Corp.

4. **Summary of Material Change**

The Company announced that it had completed the first tranche of its initial public offering (the “**Offering**”) pursuant to a final prospectus dated December 15, 2021 (the “**Prospectus**”).

5. **Full Description of Material Change**

Pursuant to the Offering, the Company issued an aggregate of 6,287,701 flow-through units of the Company (“**FT Units**”) issued at a price of \$0.15 per FT Unit (the “**FT Unit Offering Price**”) and 2,003,340 units of the Company (“**Units**”) issued at a price of \$0.12 per Unit (the “**Unit Offering Price**”) for aggregate gross proceeds of \$1,183,555.95.

Stephen Avenue Securities Inc. (the “**Agent**”) acted as agent on a commercially reasonable efforts basis in respect of the Offering and received a cash commission of \$23,100.01 for its services. In addition, the Agent received 166,250 non-transferable warrants (the “**Agents Warrants**”) to acquire up to 166,250 common shares in the capital of the Company (each, an “**Agents Share**”) at a price of \$0.12 per Agent Share until the date that is thirty-six months from the date of issuance.

Each FT Unit is comprised of one common share of the Company (each a “**Flow-Through Share**”), each of which will qualify as a “flow-through share” as defined in subsection 66(15) of the *Income Tax Act* (Canada) (the “**Tax Act**”), and one-half of one warrant of the Company (each whole such warrant, a “**FT Unit Warrant**”) to acquire one common share of the Company (each a “**FT Warrant Share**”) at an exercise price of \$0.20 until 5:00 p.m. (Toronto time) on the date which is 36 months after the date of the closing of the Offering (the “**Closing Date**”). The FT Unit Warrant will qualify as a “flow-through share” as defined in subsection 66(15) of the Tax Act. The FT Warrant Share will not qualify as a “flow-through share” as defined in subsection 66(15) of the Tax Act. The FT Unit Warrants are subject to an acceleration provision whereby if the closing price of the common shares of the Company (the “**Common Shares**”) on a national stock exchange in Canada is at least \$0.30 for a minimum of ten consecutive trading days, the FT Unit Warrants will expire 30 days after the Company provides notice

of such accelerated expiry to the holders of the FT Unit Warrants.

Each Unit is comprised of one common share of the Company (each a "**Unit Share**") and one-half of one warrant of the Company (each whole such warrant, a "**Unit Warrant**") to acquire one common share of the Company (each a "**Unit Warrant Share**") at an exercise price of \$0.18 until 5:00 p.m. (Toronto time) on the date which is 36 months after the date of the Closing Date. The Unit Warrants are subject to an acceleration provision whereby if the closing price of the Common Shares on a national stock exchange in Canada is at least \$0.30 for a minimum of ten consecutive trading days, the Unit Warrants will expire 30 days after the Company provides notice of such accelerated expiry to the holders of the Unit Warrants.

Additional information on the Company and the Offering can be found in the Company's Prospectus, as filed on SEDAR at www.sedar.com.

The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and may not be offered, sold or delivered, directly or indirectly, in the United States (as defined in Regulation S under the U.S. Securities Act). Accordingly, the securities may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

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:

The Offering constituted a "related party transaction" as such term is defined by MI 61-101 as certain insiders of the Company, subscribed for an aggregate of 920,000 Units pursuant to the Offering.

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

The gross proceeds from the sale of the Units will be used by the Company in accordance with the Prospectus.

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

The gross proceeds from the sale of the Units will be used by the Company in accordance with the Prospectus.

(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:

In connection with the Offering, the following Units were issued to the Insiders of the Company.

Name	Position	Number of Units	Aggregate Price
Lee Bowles	Director	400,000	\$48,000
European Ventures Inc.	10% Security Holder	100,000	\$12,000

- (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:**

Prior to the completion of the Offering, Mr. Bowles held, directly or indirectly 2,155,000 Common Shares, 165,000 warrants and 250,000 DSUs. Upon closing of the Offering, Mr. Bowles holds an aggregate of 2,555,000 Common Shares, 365,000 warrants and 250,000 DSUs, representing approximately 2.92% of the issued and outstanding Common Shares on an undiluted basis and 3.60% of the issued and outstanding Common Shares on a partially diluted basis.

Prior to the completion of the Offering, Auropean Ventures Inc. (“**Auropean**”) held, 9,355,342 Common Shares and 4,003,368 warrants. Upon closing of the Offering, Auropean holds an aggregate of 9,455,342 Common Shares and 4,053,368 warrants, representing approximately 10.81% of the issued and outstanding Common Shares on an undiluted basis and 14.77% of the issued and outstanding Common Shares on a partially diluted basis.

- (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:**

A resolution of the board of directors was passed on December 15, 2021 approving the Offering. No special committee was established in connection with the Offering, 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 relates 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:**

Other than subscription agreements for the Units and as set out in the Prospectus, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

- (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 Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner. The Offering was approved by all independent directors of the Company.

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

The report is not being filed on a confidential basis.

7. Omitted Information

No significant facts have been omitted from this Material Change Report.

8. Executive Officer

For further information, contact D Darrell Munro, BB.A, LL.B Corporate Administration; (613) 836-2594 and Vern Rampton, President & CEO; 613-836-2594,

9. Date of Report

This report is dated at Toronto, this 10th day of January, 2022.

Cautionary Statement Regarding Forward-Looking Information

This news release contains certain forward-looking statements, which are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected. There can be no guarantee that Mayo Lake will be able to obtain a public listing as scheduled in this document. Mayo Lake undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements. Please refer to the disclaimer and cautionary note on Mayo Lake's website for a more complete caution regarding the content of this press release.