

MATERIAL CHANGE REPORT

1. Name and Address of Company:

Terra Balcanica Resources Corp.
Suite 250, 200 Burrard St.
Vancouver, British Columbia
V6C 3L6

2. Date of Material Change

May 5 2023

3. Press Release

Issued May 8, 2023, distributed through Executive Business Services and through various other approved public media and filed on SEDAR.

4. Summary of Material Change(s)

On May 8, 2023 Terra Balcanica Resources Corp. (“**Terra**” or the “**Company**”) announced closing of the 1st tranche of the previously announced non-brokered private placement financing of units (the “Units”) for gross proceeds of \$404,650 (the “Offering”).

5. Full Description of Material Change

On May 8, 2023 Terra Balcanica Resources Corp. (“**Terra**” or the “**Company**”) announced closing of the 1st tranche of the previously announced non-brokered private placement financing of units (the “Units”) for gross proceeds of \$404,650 (the “Offering”).

The Company issued an aggregate of 4,760,586 Units at a price of \$0.085 per Unit for gross proceeds of \$404,650 pursuant to the Offering announced on April 4th, 2023. Each Unit consists of one common share in the capital of the Company (each, a “Common Share”) and one Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder to purchase one Common Share at an exercise price of \$0.13 until May 5th, 2026.

The Company intends to use the net proceeds of the Offering for working capital and to fund the Phase II drilling across its portfolio of properties. Finders’ fees in the amount of \$8,057 were paid.

Giulio Bonifacio, Chair of the board of directors, Steven Latimer, a director, and Kim Oishi, a director (the “**Insiders**”) purchased 1,194,117 Units as part of the Offering. The issuance of the Units to the Insiders constitutes a “related party transaction” as this term is defined in Multilateral Instrument 61-101 - Protection of Minority Securityholders in Special Transactions (“**MI 61-101**”). The Company is relying on the exemption from valuation requirement and minority approval pursuant to subsection 5.5(a) and 5.7(a) of MI 61-101, respectively, as the securities do not represent more than 25% of the Company’s market capitalization, as determined in accordance with MI 61-101. The participation by Insiders in the Offering was approved by directors of the Company who are independent in connection with such transactions.

Pursuant to applicable Canadian securities laws, all securities issued and issuable in connection with the closing of the Private Placement will be subject to a four (4) month hold period ending September 6th, 2023.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. 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 or sold within the United States, or to or for the account or benefit of any U.S. person or any person in the United States, unless registered under the U.S. Securities Act and applicable state securities laws or

an exemption from such registration is available. “United States” and “U.S. Person” are as defined in Regulation S under the U.S. Securities Act.

5.2 Disclosure for Restructuring Transactions

N/A

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

Not Applicable

7. Omitted Information

Not Applicable

8. Executive Officer

The following executive officer of the Company is knowledgeable about the material change and this material change report and may be contacted at the following address and telephone number:

Aleksandar Miskovic, President, Chief Executive Officer and Director
Suite 250, 200 Burrard St., Vancouver, BC V6C 3L6
PHONE: +1-514-796-7577

9. Date of Report

DATED at Vancouver, British Columbia this 12th day of May, 2023.