

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Canter Resources Corp. (the “Company”)
Suite 400 – 1681 Chestnut Street
Vancouver, BC V6J 4M6

Item 2: Date of Material Change

December 21, 2023

Item 3: News Release

A news release was issued on December 21, 2023 and filed on SEDAR+ at www.sedarplus.ca.

Item 4: Summary of Material Change

The Company announced that it has closed the first tranche of its non-brokered private placement raising gross proceeds of \$3,200,700 through the issuance of 6,401,400 units (the “Units”) at \$0.50 per Unit (the “Offering”). See Item 5 below for further details.

Item 5.1: Full Description of Material Change

The Company announced that it has closed the first tranche of its Offering raising gross proceeds of \$3,200,700 through the issuance of 6,401,400 Units at \$0.50 per Unit. The Company expects to close the final tranche of the Offering in early January 2024.

Each Unit consisted of one common share in the capital of the Company (a “Share”) and one-half of one transferrable common share purchase warrant (each whole warrant, a “Warrant”). Each Warrant will entitle the holder to purchase one additional Share at a price of \$0.70 for a period of two years from the closing of the Offering (the “Expiry Date”).

In the event that the closing price of the Shares of the Company on the CSE (or such other stock exchange on which the Shares are traded) is equal to or greater than \$0.95 per Share for a period of 5 consecutive trading days during the Warrant exercise period, the Company may at its option elect to accelerate the expiry of the Warrants by providing notice to the holders thereof within 10 calendar days following the end of such 5 consecutive trading day period, in which case the Warrants will expire on the date specified in such notice, which shall be not less than 30 calendar days following delivery of such notice.

The Warrants were issued pursuant to a warrant indenture dated December 21, 2023 entered into between the Company and Odyssey Trust Company, as warrant agent.

Joness Lang, CEO and a director of the Company purchased 125,000 Units in the Offering and Brian Goss, a director of the Company, purchased 50,000 Units in the Offering. The participation by such insiders in the Offering constituted a “related party transaction” as defined under Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions.

The Company paid finder’s fees of \$96,460 cash and 192,920 finder’s warrants (the “Finder’s Warrants”) in connection with the closing of the first tranche of the Offering. The Finder’s Warrants are exercisable at \$0.50 per Share until the Expiry Date.

The Company will use the net proceeds from the Offering to complete Phase I drilling and exploration work at the Columbus Lithium-Boron Project, evaluate and stake additional claims prospective for critical metals, and for general corporate purposes, including salaries, consulting fees, legal and accounting fees, and investor relations expenses.

All securities issued in connection with the Offering are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

The securities offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act, or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or “U.S. Persons”, as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

Related Party Disclosure

The following supplementary information is provided in accordance with Section 5.2.

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

See item 5.1 above.

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

See item 5.1 above.

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

See item 5.1 above.

(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:

Prior to the completion of the Offering, Joness Lang, CEO of the Company held 1,500,000 common shares of the Company. Pursuant to the Offering, Mr. Lang acquired 125,000 Units. After completion of the Offering, the number of common shares beneficially owned or controlled by Mr. Lang is 1,625,000 common shares or approximately 3.34% of the outstanding common shares of the Company.

Prior to the completion of the Offering, Brian Goss, a director of the Company, held 200,000 common shares of the Company. Pursuant to the Offering, Mr. Goss acquired 50,000 Units. After completion of the Offering, the number of common shares beneficially owned or controlled by Mr. Goss is 250,000 common shares or approximately 0.51% of the outstanding common shares of the Company.

(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:

See item (d)(i) above.

(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:

Resolution passed by the board of directors of the Company on December 13, 2023. No special committee was established in connection with the Offering.

- (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 senior 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 entered into with Joness Lang and Brian Goss, 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 participation of each of Joness Lang and Brian Goss in the Offering constitutes a related party transaction under MI 61- 101. The Company is relying on the exemptions from the valuation requirement and the minority approval requirement set out in subsections 5.5(a) *Fair Market Value Not More than 25% of Market Capitalization* and 5.7(1)(a) *Fair Market Value not More than 25% of Market Capitalization*, of MI 61-101, respectively.

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 so as to be able to avail itself of the proceeds of the Offering and complete the Offering in an expeditious manner.

The Company will send a copy of this material change report to any security holder of the Company upon request and without charge.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 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

No information was omitted.

Item 8: Executive Officer

Jones Lang, CEO
klang@canterresources.com

For investor inquiries contact:

604.908.1695
investors@canterresources.com

Item 9: Date of Report

December 21, 2023