

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

JKS RESOURCES INC. (the “Company”)
Suite 1000, 1055 West Hastings Street
Vancouver, BC
V6E 2E9

Item 2. Date of Material Change

January 12, 2024

Item 3. News Release

The news release (the “**News Release**”) was issued on January 15, 2024, and disseminated by Newsfile.

Item 4. Summary of Material Change

On January 12, 2024, the Company entered into a definitive purchase and sale agreement (the “**Agreement**”) dated January 12, 2024 with 18526 Yukon Inc. (the “**Vendor**”), an arm’s length party, which sets out the general terms and conditions pursuant to which the Company will acquire all of the issued and outstanding common shares of a wholly-owned subsidiary of the Vendor (the “**Target**”) from the Vendor in exchange for common shares of the Company and cash, as further detailed below (the “**Transaction**”). The Target will own the AZ, Barite Mountain, Birch, Carter Gulch, Clea, Eva, Expo, Faro North, Fox, Gem, Ketza, Nut, Pete, Risby and Talbot claims and the Venus claims and crown grants located in the Yukon (the “**Properties**”) for a total land package of approximately 18,000 hectares.

If completed, the Transaction will constitute a “fundamental change” of the Company pursuant to the policies of the Canadian Securities Exchange (the “**CSE**”). As a result, the Transaction requires approval of the majority of the shareholders of the Company. Upon completion of the Transaction, the Company intends to be listed on the CSE as a mining issuer and will principally focus on the exploration and development of the Properties. The resulting issuer that will exist upon completion of the Transaction (the “**Resulting Issuer**”) will continue to operate under a name to be determined by the Company.

Item 5. Full Description of Material Change

Terms of the Transaction

Pursuant to the Agreement, the Company has agreed to acquire the Properties from the Vendor by acquiring all of the issued and outstanding common shares of the Target for total consideration of (a) 25,000,000 common shares of the Company, subject to a statutory four month hold period under applicable securities laws and any escrow requirements imposed by the CSE, and (b) \$2,000,000 in cash on closing of the Transaction (the “**Closing**”). The Vendor will retain a royalty equal to 2.5% of the net smelter returns in respect of each of the Properties, subject to a right of repurchase of 0.5% of each royalty at a cost of \$1,000,000 per royalty payable in gold or cash.

The Transaction is an arm’s length transaction. Upon closing of the Transaction (the “**Closing**”) and the Financings (as defined below), it is expected that current shareholders of the Company will hold approximately 29% of the common shares of the Resulting Issuer,

current shareholders of the Vendor will hold approximately 32% of the common shares of the Resulting Issuer and new shareholders as a result of the Financings will hold approximately 39% of the common shares of the Resulting Issuer.

Completion of the Transaction will be subject to certain conditions, including but not limited to: (a) the receipt of all necessary approvals of the boards of directors of the Company and the Vendor; (b) the receipt of approval of the shareholders of the Company in accordance with applicable laws, including the rules of the CSE; (c) the receipt of all required consents and approvals, including without limitation, approval of the Transaction by the CSE; (d) the completion by the Company of the Financings such that the Resulting Issuer will have a minimum of \$10,000,000 following expenses related to the Transaction; (e) the completion by the Target of audited and unaudited financial statements and related financial information as may be required, and (f) the completion of satisfactory mutual due diligence.

Financings

Prior to the completion of the Transaction, the Company expects to complete (a) a non-brokered private placement of 12,500,000 subscription receipts (the “**Share Receipts**”) of the Company for gross proceeds of approximately \$3,750,000 (the “**Share Financing**”) with each Share Receipt automatically being exercised into one common share of the Company upon completion of the Transaction, and (b) a best efforts brokered private placement of 17,500,000 subscription receipts (the “**Unit Receipts**”) of the Company for gross proceeds of approximately \$8,750,000 (the “**Unit Financing**” and, together with the Share Financing, the “**Financings**”), with each Unit Receipt automatically being exercised into one common share of the Company and one-half of one common share purchase warrant exercisable for a period of three years at a price to be determined in the context of the market. The proceeds of the Financings will be used for exploration and related expenditures respecting the Properties and working capital purposes. Further details regarding the Financings, including confirmation of pricing, will be included in a subsequent news release(s) once additional details become available.

Board Management

Upon completion of the Transaction, the Company will consider changes to the Company’s board and management as may make sense for the business of the Company going forward.

Item 6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

None.

Item 8. Executive Officer

Gunther Roehlig
Chief Executive Officer
604.6830911

Item 9. Date of Report

January 15, 2024