

Form 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of the Issuer

Red Pine Exploration Inc. (the “Issuer”)
1001 – 145 Wellington Street West
Toronto, ON M5J 1H8

2. Date of Material Change

March 23, 2021

3. News Release

A news release was disseminated on March 23, 2021 and was filed on SEDAR with the British Columbia, Alberta, Manitoba, Quebec and Ontario securities commissions and with the TSX Venture Exchange.

4. Summary of Material Change

The Issuer announced it had completed its previously announced best efforts private placement (the “Offering”) for total gross proceeds of \$20,026,805 in connection with the acquisition of the remaining interest in the Issuer’s Wawa Gold Project.

5. Full Description of Material Change

The Issuer announced that it had completed its previously announced best efforts private placement (the “Offering”) for total gross proceeds of \$20,026,805 in connection with the acquisition of the remaining interest in the Issuer’s Wawa Gold Project. The Offering consisted of (i) 37,567,400 subscription receipts of the Issuer (the “Subscription Receipts”) at a price of C\$0.40 per Subscription Receipt (the “Issue Price”) for gross proceeds of C\$15,026,960; (ii) 5,555,212 tranche 1 flow-through subscription receipts of the Issuer (the “Tranche 1 FT Subscription Receipts”) at a price of C\$0.45 per Tranche 1 FT Subscription Receipt for gross proceeds of C\$2,499,845; and (iii) 4,496,403 tranche 2 flow-through subscription receipts of the Issuer (the “Tranche 2 FT Subscription Receipts” and together with the Tranche 1 FT Subscription Receipts, the “FT Subscription Receipts”) at a price of C\$0.556 per Tranche 2 FT Subscription Receipt for gross proceeds of C\$2,500,000.

The Offering was completed in connection with the Issuer’s previously announced acquisition through a definitive securities purchase agreement with the holders (the “Vendors”) of the partnership interests in Citabar Limited Partnership (“Citabar”) which will result in the Issuer consolidating a 100% ownership in the Wawa Gold Project located near Wawa, Ontario (the “Transaction”).

The terms of a subscription receipt agreement dated March 23, 2021 between the Issuer, TSX Trust Company and Haywood Securities Inc., provided that upon the satisfaction of the Escrow Release Conditions (as defined below) each Subscription Receipt would automatically convert, without payment of additional consideration, into one common share of the Issuer (a “Common Share”). Upon satisfaction of the FT Escrow Release Conditions (as defined below), each Tranche 1 FT Subscription Receipt and Tranche 2 FT Subscription Receipt would convert into a right to purchase one tranche 1 flow-through share of the Issuer (a “Tranche 1 FT Share”) and one tranche 2 flow-through share of the Issuer (a “Tranche 2 FT Share”), respectively, pursuant to the terms of a subscription and renunciation agreement. Each Tranche 1 FT Share and Tranche 2 FT Share, if issued, was intended to qualify as a “flow-through share” within the meaning of such term in the *Income Tax Act (Canada)*.

The gross proceeds of the sale of Subscription Receipts were held in escrow pending satisfaction of the Escrow Release Conditions. The gross proceeds of the sale of the FT Subscription Receipts were held in escrow pending satisfaction of the FT Escrow Release Conditions. The Subscription Receipt Agreement provided that in the event that the Escrow Release Conditions were not satisfied within 90 days of the closing of the Offering, the gross proceeds derived from the sale of the Subscription Receipts would be returned to the holders of the Subscription Receipts, which would then be cancelled. In the event that the FT Escrow Release Conditions were not satisfied within 90 days of the closing of the Offering, the gross proceeds derived from the sale of the FT Subscription Receipts would be returned to the holders of the FT Subscription Receipts, which would then be cancelled. Notwithstanding, the Issuer agreed that in the event that the Transaction was not completed by April 1, 2021, the gross proceeds derived from the sale of the Tranche 2 FT Subscription Receipts would be returned to the holders of the Tranche 2 FT Subscription Receipts, which would then be cancelled.

The “Escrow Release Conditions” included:

- all conditions precedent to the closing of the Transaction will have been satisfied or waived (other than the payment of the cash consideration for the Transaction and those conditions which by their nature cannot be satisfied until payment of the cash consideration for the Transaction has been made);
- all required stock exchange and regulatory approvals will have been obtained; and
- the Issuer shall not have committed any material breach of the agency agreement (the “Agency Agreement”) entered into with the agents in the Offering (the “Agents”) that has not been cured or waived by the agents.

The “FT Escrow Release Conditions” include:

- satisfaction of the Escrow Release Conditions;
- all required stock exchange and regulatory approvals will have been obtained; and
- the Issuer shall not have committed any material breach of the Agency Agreement that has not been cured or waived by the Agents.

The Agency Agreement provides that the net proceeds derived from the sale of the Subscription Receipts will be used to fund the cash consideration for the Transaction and Transaction-related fees and expenses, including the replacement of a standby letter of credit provided by an affiliate of Citabar in connection with certain reclamation obligations in respect of the Wawa Gold Project and the assumption of certain liabilities of Citabar and to replenish working capital pursuant to the terms of the Transaction. The gross proceeds derived from the sale of the Tranche 1 FT Subscription Receipts and Tranche 2 FT Subscription Receipts will be used for “Canadian exploration expenses” that will qualify as “flow-through expenditures” within the meaning of the *Income Tax Act (Canada)* (the “Qualifying Expenditures”) in connection with the mineral exploration programs of the Issuer. All Qualifying Expenditures will be renounced in favour of the subscribers of the Tranche 1 FT Shares and Tranche 2 FT Shares effective December 31, 2021.

The purchase of securities in the Offering by certain parties who are “related parties” (as set out in the table below) of the Issuer is a “related party transaction” pursuant to Multilateral Instrument 61-101 - *Protection of Minority Holders in Special Transactions* (“MI 61-101”). Part 5 of MI-61-101 is not applicable to the sale of securities to a certain related party of the Issuer pursuant to section 5.1(h)(iii). The sale of securities to the remaining related parties is exempt from the formal valuation requirements of MI 61-101 pursuant to subsection 5.5(b) of MI 61-101 since the securities of the Issuer are not listed on any of the specified markets set out in that exemption, and from the minority approval requirements of MI 61-101 pursuant to subsection 5.7(b) of MI 61-101 since each of the conditions set out under that exemption were satisfied. The interests of the related parties in the Offering were as purchasers of securities offered by the Issuer on the same terms as all arm’s length purchasers. There were no disagreements between directors, materially

contrary views by any directors or abstention by any independent director in approving the subscription agreements executed by the related parties who participated in the Offering. The subscription agreements pursuant to which all investors, including the related parties, purchased the Subscription Receipts or Tranche 1 FT Subscription Receipts, as the case may be, contained standard representations, warranties and covenants. No special process was adopted by the Issuer to approve the transactions contemplated by the Offering.

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

Not applicable.

7. Omitted Information

No significant facts have been omitted from this report.

8. Executive Officer

For further information, please contact Greg Duras, CFO of the Issuer, at (416) 364-7024.

9. Date of Report

DATED April 1, 2021.