

Form 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of the Issuer

MacDonald Mines Exploration Ltd. (the “Issuer”)
Suite 1001 – 145 Wellington Street West
Toronto, ON M5J 1H8

2. Date of Material Change

December 5, 2022 and December 8, 2022

3. News Release

News releases were disseminated on December 5, 2022 and December 9, 2022 and were filed on SEDAR with the British Columbia, Alberta, Saskatchewan, Ontario, Québec, New Brunswick, Nova Scotia, and Newfoundland and Labrador securities commissions and the TSX Venture Exchange (“TSXV”).

4. Summary of Material Change

The Issuer announced on December 5, 2022 that it would proceed with a consolidation of its outstanding securities on a one (1) new for every ten (10) old basis (the “Consolidation”) effective December 7, 2022.

The Issuer announced on December 9, 2022 that it had closed its previously announced non-brokered private placement offering (the “Offering”) for proceeds of \$175,500.

5. Full Description of Material Change

The Issuer announced on December 5, 2022 that it would proceed with the Consolidation of its outstanding securities on a one (1) new for every ten (10) old basis effective December 7, 2022. The new ISIN number for the consolidated Class A common shares is CA5543247079 and the new CUSIP number is 554324707. Following the completion of the Consolidation, the number of Class A common shares of the Corporation issued and outstanding were approximately 25,896,352.

The Issuer announced on December 9, 2022 that it had closed its previously announced non-brokered private placement offering for proceeds of \$175,500. The Issuer issued a total of 926,923 FT Shares at a price of \$0.13 per share and 550,000 non-flow-through Units at a price of \$0.10 per Unit. Each Unit is comprised of one Common Share and one half of one Warrant, with each full Warrant being exercisable to acquire one Common Share at a price of \$0.15 per share for a period of 24 months following the closing date of the Offering. In connection with the Offering, the Issuer paid finders fees of \$9,415 to such finders in connection with FT Shares and Units subscribed for by Purchasers introduced to the Issuer by such finders.

Proceeds from the Offering will be used to advance developments at the Issuer’s SPJ Project and for general working purposes. The proceeds from the FT Shares will be used for exploration purposes, and such proceeds will be used to incur “Canadian exploration expenses” (within the

meaning of the *Income Tax Act* (Canada)). All securities sold or issued in connection with the Offering are subject to a hold period of four months and one day from the date of issuance thereof. The Offering is subject to the final approval of the TSX Venture Exchange.

The purchase of securities in the Offering by one party who is a “related party” (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”) and is exempt from the formal valuation requirements of MI 61-101 pursuant to subsection 5.5(b) of MI 61-101, and from the minority approval requirements of MI 61-101 pursuant to subsection 5.7(a) of MI 61-101. There were no disagreements between directors, materially contrary views by any directors or abstention by any independent director with respect to the subscription agreements executed by the related parties who participated in the Offering. The subscription agreements pursuant to which all investors, including the related party purchased securities, 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. In the Offering, an officer and director of the Corporation purchase a total of 200,000 FT Shares representing 14% of the total proceeds of the Offering. Prior to the Offering, the insider did not hold any Class A common shares of the Issuer.

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 Fiona Fitzmaurice, CFO of the Issuer, at (416) 364-4986.

9. Date of Report

DATED the 13th day of December, 2022.