

## FORM 51-102F3

### MATERIAL CHANGE REPORT

**Item 1: Name and Address of Company**

Medgold Resources Corp. (the “**Company**” or “**Medgold**”)  
Suite 650, 200 Burrard Street  
Vancouver, BC V6C 3L6

**Item 2: Date of Material Change**

January 7, 2021

**Item 3: News Release**

A news release announcing the material change referred to in this report was disseminated on January 7, 2021 through TheNewswire’s distribution network, and subsequently filed on Medgold’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

**Item 4: Summary of Material Change**

On January 7, 2021 the Company announced that it has entered into a definitive Option Agreement with Fortuna Silver Mines Inc. (NYSE: FSM) (TSX: FVI) to acquire Fortuna’s 51% interest in the Tlamino Project, located in Serbia.

**Item 5.1: Full Description of Material Change**

On January 7, 2021 the Company announced that it has entered into a definitive Option Agreement (the “**Agreement**”) with Fortuna Silver Mines Inc. (NYSE: FSM) (TSX: FVI) (“**Fortuna**”) to acquire Fortuna’s 51% interest in the Tlamino Project, located in Serbia (the “**Project**”).

The terms of the Agreement provide Medgold with an exclusive option (the “**Option**”) to purchase Fortuna’s 51% interest in the Project for a cash consideration of US\$ 3.468 million. The Option is valid for three years and is exercisable (i) at any time at the election of Medgold prior to the expiry of the term of the Option; or (ii) at the date of completion of a sale by Medgold of a 100% interest in the Project to a third party; or (iii) at the date of completion of a merger between Medgold and a third party, whichever arises soonest.

In the event that Medgold completes a sale of the Project or corporate merger during the term of the Option and receives consideration in excess of US\$ 8.84 million (the “**Sale Consideration**”), Medgold will pay to Fortuna an asset sale bonus equal to 10.2% of any amount in excess of the Sale Consideration, less all of Medgold’s costs related to the sale or corporate merger. No other consideration is due by Medgold to Fortuna under the terms of the Agreement. The monthly Option Fees referred to in the non-binding letter of intent announced on June 18, 2020 have been struck.

Should Medgold not exercise the Option or complete a sale of the Project or corporate merger within the term of the Option, Medgold will transfer its undivided 49% interest in the Project to Fortuna for no consideration, such that Fortuna will then hold an undivided 100% interest in the Project.

Pursuant to the terms of the option agreement between Medgold and Fortuna (the “**Original Option**”) dated March 6, 2017, and as later amended, Fortuna has earned a 51% interest in the Project by spending US\$ 3 million in exploration expenditures, as announced on January 30, 2020. The Original Option is terminated under the terms of the Agreement.

The granting of the Option is subject to approval by the TSX Venture Exchange.

Medgold and Fortuna have a common director, and Fortuna is a significant shareholder of Medgold and is therefore considered a “related party” to Fortuna pursuant to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101, *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). The Company is relying on an exemption from the formal valuation requirement pursuant to section 5.5(b) of MI 61-101. If Medgold is considered a “related party” to Fortuna at the time of exercise, if any, of the Option in connection with the Agreement, such exercise will constitute a “related party transaction” within the meaning of TSX Venture Exchange Policy 5.9 and MI 61-101, and prior to the Company exercising the Option, the Company will be required to seek minority shareholder approval in accordance with sections 5.6 and 8 of MI 61-101.

**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**

Not applicable.

**Item 8: Executive Officer**

Jeremy Crozier  
Chief Executive Officer  
Telephone: 604-801-5432

**Item 9: Date of Report**

January 15, 2021