

MATERIAL CHANGE REPORT

Form 51-102F3

Section 7.1 of National Instrument 51-102

Item 1. Name and Address of Company

Eloro Resources Ltd. (the “**Company**”)
20 Adelaide Street East, Suite 200
Toronto, Ontario, M5C 2T6

Item 2. Date of Material Change

October 31, 2024.

Item 3. News Release (including date and method of dissemination)

The news release of the Company (the “**News Release**”) with respect to the material change referred to in item 2 above was issued via GlobeNewswire on October 31, 2024. The News Release is attached hereto as Schedule “A”.

Item 4. Summary of Material Change

On October 31, 2024, the Company announced the closing of its non-brokered private placement offering (the “**Offering**”), pursuant to which a total of 4,200,000 units of the Company (the “**Units**”) have been issued at a price of C\$0.90 per Unit for total gross proceeds of C\$3,780,000. Each Unit consists of one common share of the Company (a “**Common Share**”) and one-half of one common share purchase warrant of the Company (each whole purchase warrant, a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one Common Share at an exercise price of C\$1.50, with the expiry date of each Warrant being two years following the date of the closing under the Offering. The Offering included a lead order from the Company’s largest shareholder and strategic investor, Crescat Capital LLC.

The Company intends to use the net proceeds from the Offering for continued exploration and development of the Iska Iska project, and general corporate purposes and working capital.

See the News Release attached hereto as Schedule “A” for additional information in respect of the material change disclosed by the News Release. The News Release is incorporated herein.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

See the News Release attached hereto as Schedule “A” which fully describes the material change disclosed by the News Release. The News Release is incorporated herein.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Multilateral Instrument 61-101

As set out in the attached News Release, the Company closed on October 31, 2024 the Offering of an aggregate of 4,200,000 Units at a price of C\$0.90 per Unit for total gross proceeds of C\$3,780,000. The following three insiders of the Company (the “**Insiders**”) participated in the Offering: William Pearson (“**Pearson**”), who is Executive Vice President, Exploration of the Company, Caroline Cathcart (“**Cathcart**”), who is a director of the Company, and Crescat Portfolio Management LLC (“**Crescat**”), which controls more than 10% of the outstanding Common Shares. The issuance of these Units to each of the Insiders is a “related party transaction” within the meaning of Multilateral Instrument 61-101 entitled *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Section 5.2 of MI 61-101 requires that certain information be disclosed in this material change report with respect to the Offering, as follows:

a) Description of the transaction and its material terms:

See the attached News Release.

b) Purpose and business reasons for the transaction:

To provide funds for the Company to be used for continued exploration and development of the Iska Iska project, and general corporate purposes and working capital.

c) Anticipated effect of the transaction on the issuer's business and affairs:

The Offering improved the Company's financial position by providing funds to be used by the Company for continued exploration and development of the Iska Iska project, and general corporate purposes and working capital. The Offering also resulted in a total of 4,200,000 Common Shares being issued by the Company and a total of 2,100,000 Common Shares being issuable pursuant to the Warrants comprising part of the Units, as set out in the attached News Release.

d) Description of (i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties, and (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:

Pearson purchased 80,531 of the Units, Cathcart purchased 20,000 of the Units, and Crescat purchased 555,556 of the Units.

Immediately prior to the closing of the Offering: (i) Pearson held 696,456 (or 0.87%) of the outstanding Common Shares, 41,667 common share purchase warrants of the Company, 300,000 stock options outstanding under the Company's equity incentive plan (the "**Plan**") and 450,000 restricted share units outstanding under the Plan; (ii) Cathcart did not hold any securities of the Company; and (iii) Crescat held 13,400,239 (or 16.69%) of the outstanding Common Shares. The Offering did not result in a material change in the percentage of securities of the Company beneficially owned or controlled by each Insider, other than in the case of Cathcart who did not hold any securities of the Company prior to the Offering.

- 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:*

As Cathcart was the only director of the Company who participated in the Offering (including Cathcart, the Company has a total of seven directors) and the number of Units purchased by Cathcart was not a material amount, the formation of a special committee was not viewed as being necessary. The Offering was unanimously approved by all of the directors of the Company.

- f) *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 (see item 8(i) of this report below).

- 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, and (ii) the existence of which is known, after reasonable inquiry, to the issuer or to any director or senior officer of the issuer:*

Not applicable.

- h) *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:*

In connection with Crescat's purchase of Units under the Offering, the Company granted to Crescat the right (the "**Participation Right**") to participate in any future private placement or public offering of Common Shares or rights to purchase Common Shares, other than certain excluded issues such as the grant or exercise of equity incentives (the securities then being offered under such offering herein referred to the "**Offered Securities**"). The Participation Right would provide Crescat with the right and option to subscribe for a sufficient number of the Offered Securities so as to maintain Crescat's then applicable percentage holding of the outstanding Common Shares. The Participation Right

terminates on the date on which Crescat's ownership of Common Shares falls below 2% of the then outstanding Common Shares.

- 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, respectively, of MI 61-101 and the facts supporting reliance on the exemptions:*

The Company is relying on (A) subsection 5.5(a) of MI 61-101, which exempts the Company from the requirements under MI 61-101 of having to perform a formal valuation for the participation in the Offering of the Insiders, and (B) subsection 5.7(1)(a) of MI 61-101, which exempts the Company from the requirements under MI 61-101 of having to obtain minority shareholder approval for the participation in the Offering of the Insiders. These exemptions are available as neither the fair market value of the 656,087 Units issued to the Insiders under the Offering, nor the fair market value of the consideration for such Units (the total purchase price for such Units was C\$590,478), exceeds 25% of the Company's market capitalization, calculated in accordance with MI 61-101.

- j) *Disclosure relating to section 5.2(2) of MI 61-101, if applicable:*

The Company did not file a material change report in respect of the participation of the Insiders in the Offering at least 21 days before closing of the Offering as the participation of the Insiders was not determined at that time.

Item 9. Executive Officer

Inquiries in respect of the material change referred to herein may be made to:

Jorge Estepa, Vice-President
Phone: (416) 868-9168

Item 10. Date of Report

This report is dated the 8th day of November, 2024.

SCHEDULE "A"



20 Adelaide Street East, Suite 200, Toronto, Ontario CANADA M5C 2T6 Tel.: (416) 868-9168
TSX Symbol: ELO www.elororesources.com

Eloro Resources Closes Non-Brokered Private Placement Offering of 4,200,000 units for Gross Proceeds of \$3,780,000

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR RELEASE, PUBLICATION, DISTRIBUTION OR DISSEMINATION DIRECTLY, OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES.

Toronto, Canada, October 31, 2024 – **Eloro Resources Ltd. (“Eloro” or the “Company”)** (TSX: ELO; OTCQX: ELRRF; FSE: P2QM) is pleased to announce that, in connection with its previously announced non-brokered private placement offering (the **“Offering”**), the Company has closed the second and final tranche of the Offering of 4,200,000 units of the Company (the **“Units”**) at \$0.90 per Unit for gross proceeds of \$3,780,000. The Offering included a lead order from the Company’s largest shareholder and strategic investor, Crescat Capital LLC.

Each Unit consists of one common share of the Company (a **“Common Share”**) and one-half of one common share purchase warrant of the Company (each whole purchase warrant, a **“Warrant”**). Each Warrant will entitle the holder thereof to acquire one Common Share at an exercise price of C\$1.50, with the expiry date of each Warrant being two years following the date of the closing under the Offering.

The Company intends to use the net proceeds from the Offering for continued exploration and development of the Iska Iska project, and general corporate purposes and working capital.

Three insiders of Eloro participated in the Offering (**“Insiders”**). The part of the Offering in respect of the issuance of Units to Insiders constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions (**“MI 61-101”**). A formal valuation was not required under MI 61-101, as the fair market value of the consideration for the transaction involving the Insiders was only C\$590,478 and, accordingly, does not exceed 25% of the Company’s market capitalization as of the date of the Offering. Similarly, minority shareholder approval was also not required under MI 61-101 as the fair market value of the consideration for the transaction involving the Insiders does not exceed 25% of the Company’s capitalization as of the date of the Offering. The Company did not file a material change report in respect of the participation of the Insiders in the Offering at least 21 days before closing of the Offering as the participation of the Insiders was not determined at that time.

The securities offered in the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the **“U.S. Securities Act”**) or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the

solicitation of an offer to buy securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Eloro Resources Ltd.

Eloro is an exploration and mine development company with a portfolio of gold and base-metal properties in Bolivia, Peru and Quebec. Eloro has an option to acquire a 100% interest in the highly prospective Iska Iska project, which can be classified as a polymetallic epithermal-porphyry complex, a significant mineral deposit type in the Potosi Department, in southern Bolivia. A recent NI 43-101 Technical Report on Iska Iska, which was completed by Micon International Limited, is available on Eloro's website and under its filings on SEDAR+. Iska Iska is a road-accessible, royalty-free property. Eloro also owns an 82% interest in the La Victoria Gold/Silver Project, located in the North-Central Mineral Belt of Peru some 50 km south of the Lagunas Norte Gold Mine and the La Arena Gold Mine.

For further information please contact either Thomas G. Larsen, Chairman and CEO, or Jorge Estepa, Vice-President, at (416) 868-9168.

Information in this news release may contain forward-looking information. Statements containing forward-looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the Company (forward-looking statements in this news release include, without limitation, statements regarding the proposed use of proceeds from the Offering). There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information. The Company does not intend to update any such forward-looking information, except in accordance with applicable laws.