



**FORM 51-102F3
Material Change Report**

1. Name and Address of Company:

Q2 Metals Corp. (formerly Queensland Gold Hills Corp.)(the "Company")
Suite 904 – 409 Granville Street
Vancouver, BC
V6C1T2

2. Date of Material Change:

February 29, 2024

3. News Release:

The news release with respect to the material change was disseminated via Newsfile Corp. and filed on SEDAR on February 29, 2024.

4. Summary of Material Change:

The Company announced that it had entered into three individual option agreements which gives the Company the exclusive right and option for the acquisition of a 100% interest in three groups of minerals claims, collectively known as the Cisco Property, subject to the retention by certain vendors of a gross metals return royalty.

5. Full Description of Material Change:

5.1 Full Description of Material Change

See attached news release.

5.2 Disclosure of Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not Applicable

7. Omitted Information:

Not Applicable

8. Executive Officer:

Alicia Milne
Chief Executive Officer
Telephone: 604-808-5282

9. Date of Report:

March 1, 2024



Q2 METALS CORP.

TSX-V: QTWO
OTCQB: QUEXF
FSE: 458

**Q2 METALS TO ACQUIRE 100% OF THE LARGE-SCALE CISCO LITHIUM PROPERTY
LOCATED IN JAMES BAY, QUEBEC WITH HISTORICAL ASSAYS
INCLUDING 115.4 METRES AT 1.21% Li₂O**

Highlights:

- Q2 Metals to acquire **100% interest** in the Cisco Lithium Property, consisting of 222 claims totaling 11,374-ha.
- **Highly prospective** with the potential for multiple large-scale lithium discoveries.
- **Limited historical exploration** with only six drill holes completed, the majority of which undercut mineralization.
- Two historical drill holes returned:
 - **115.4 m at 1.21% Li₂O** cumulative width of five separate pegmatite intervals in hole CS-23-05.
 - **57.8 m at 1.27% Li₂O** cumulative width of three separate pegmatite intervals in hole CS-23-06.
- **District-scale potential** along three separate trends totaling approximately 37.5km in strike length.
- **Close to regional infrastructure** with the Billy Diamond Highway less than 10km away and approximately 150km north of Matagami, Quebec.
- **Q2 remains well funded** to undertake a high-impact drill program at the Cisco Lithium Property in the coming months.

Vancouver, British Columbia, February 29 2024 – Q2 Metals Corp. (TSX.V: QTWO | OTCQB: QUEXF | FSE: 458) (“Q2” or the “Company”) is pleased to announce that it has entered into three individual option agreements which gives the Company the exclusive right and option (the “Option”) for the acquisition of a 100% interest in three groups of minerals claims, collectively known as the Cisco Property (the “**Property**” or the “**Cisco Property**”), subject to the retention by certain vendors of a gross metals return royalty, as further detailed below. The Cisco Property is located in the southern portion of Eeyou Istchee James Bay, Quebec, Canada.

“Adding the Cisco Property with a new discovery and district-scale exploration potential to our current portfolio is a game-changer for Q2 Metals and all of our stakeholders,” said Alicia Milne,

President & CEO of the Company. *“With the notable spodumene intercepts from the work done to date, we believe the Property has considerable potential. We have worked with the Property vendors in the past and look forward to continuing our relationship with them.”*

Neil McCallum, Q2 Metals Vice President Exploration commented, *“The Cisco Property potentially holds tremendous value for Q2 to unlock. The exploration work done by the Property vendors uncovered exceptional results in a short amount of time. Combined with the considerable property-wide exploration along an untested cumulative 37.5 kilometres along three separate trends, we’re looking forward to a busy year ahead with work at both Mia and Cisco.”*

About the Cisco Project

The Cisco Property is comprised of 222 mineral claims and is 11,374 hectares (“ha”) in size. It is located less than 10 kilometres (“km”) east of the Billy Diamond Highway, and is approximately 150km north of Matagami, a small town that contains the closest rail link to much of James Bay (Figure 1). The Property lies within the greater Nemaska Community lands of the Eeyou Itschee Territory, James Bay, Quebec.

The Property is situated along the Frotet Evans Greenstone Belt, comprised of a volcanic package dominated by mafic to felsic metavolcanic rocks, of the southern James Bay Lithium District, the same belt that hosts the Sirmac and Moblan lithium deposits, located 130km and 180km away, respectively.

During 2023 and 2024 the Property vendors discovered the lithium zone by collecting 28 rock samples, 21 of which returned over 1.0% Li₂O (Figure 2). The results are within a 1.2km by 1.5km area, clustered into six separate mineralized zones.

In the fall of 2023, the Property vendors drilled six drill holes, totaling 1,287 metres (“m”), at one of the six mineralized zones. The drilling confirmed a strike length of approximately 220m and open along strike in both directions and down-dip. The first three drill holes were drilled towards the south and are interpreted to have undercut the mineralized pegmatite that is also dipping to the south, thus did not intersect the large outcrops that were observed from surface.

Limited follow up drilling successfully intersected multiple, wide spodumene-bearing pegmatites from surface (mapped in Figure 2, with complete results in Table 2). Including:

- CS-23-05 consisting of 5 separate pegmatite intervals with a cumulative **115.4m at 1.21% Li₂O**.
- CS-23-06 consisting of 3 separate pegmatite intervals with a cumulative **57.8m at 1.27% Li₂O**.
- CS-24-04 consisting of a continuous interval of **31.5m at 1.30% Li₂O**.

Due to drill rig issues, drill hole CS-23-05 ended in mineralized pegmatite and was followed up with hole CS-23-06 at a shallower dip (Figure 4). The result of the two holes from the same drill pad infers that the pegmatite is dipping to the south, and the intervals intersected are possibly

the near true thickness of the mineralized pegmatite. Additional drilling will need to be conducted to confirm this theory.

The remainder of the Property is largely unexplored for its lithium potential and there may be more than one prospective greenstone belt on the Property (Figure 3). The Northern, Central and Southern lithium trends are each approximately 21, 13 and 3.5km long, respectively.

The Company is well funded and immediate plans are to conduct property-wide sampling/mapping, airborne magnetic surveying and LiDAR surveying on the Property. Follow-up drilling at the previously sampled area will also be a high priority focus of work.

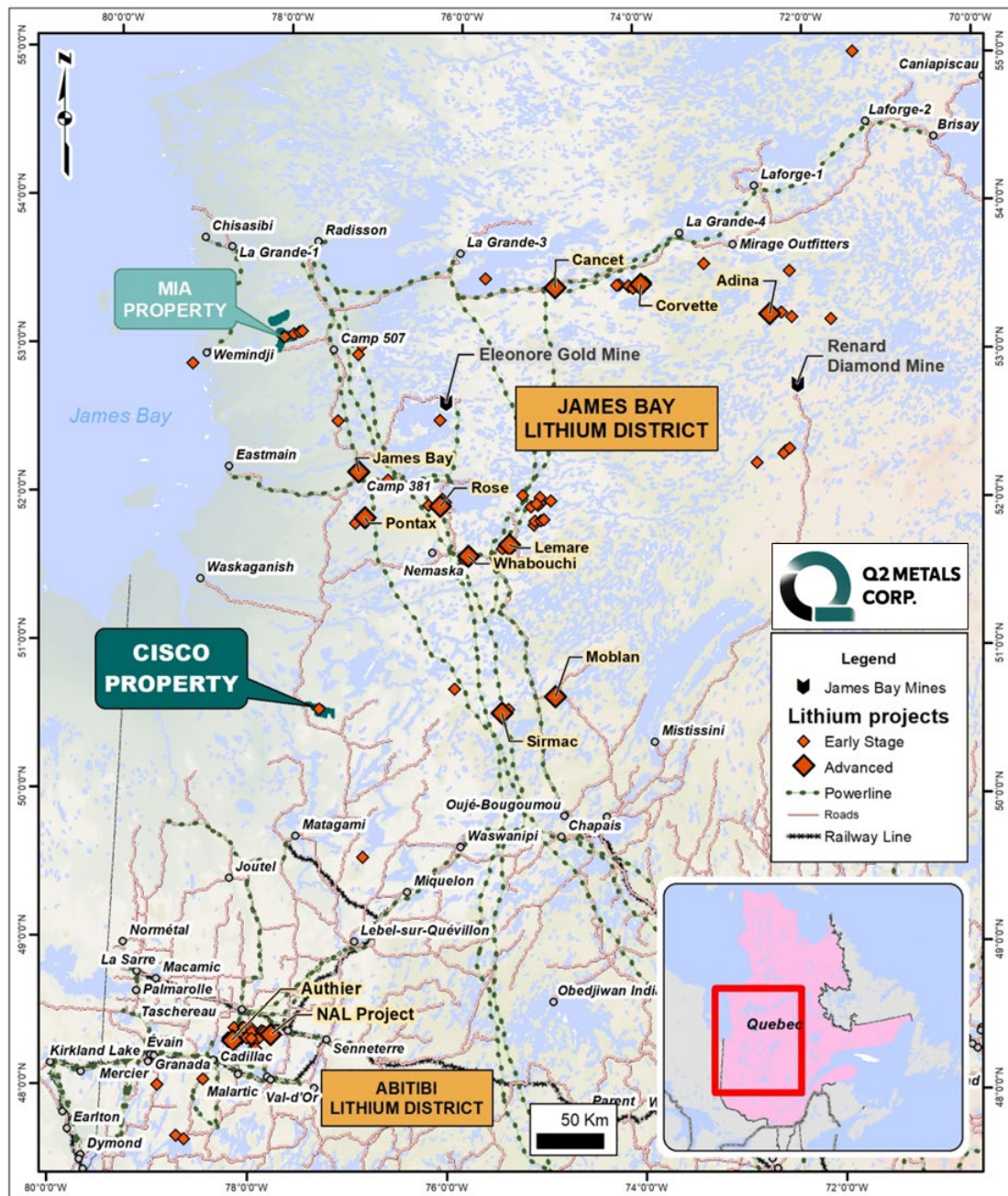


Figure 1. Cisco Property - Regional Location

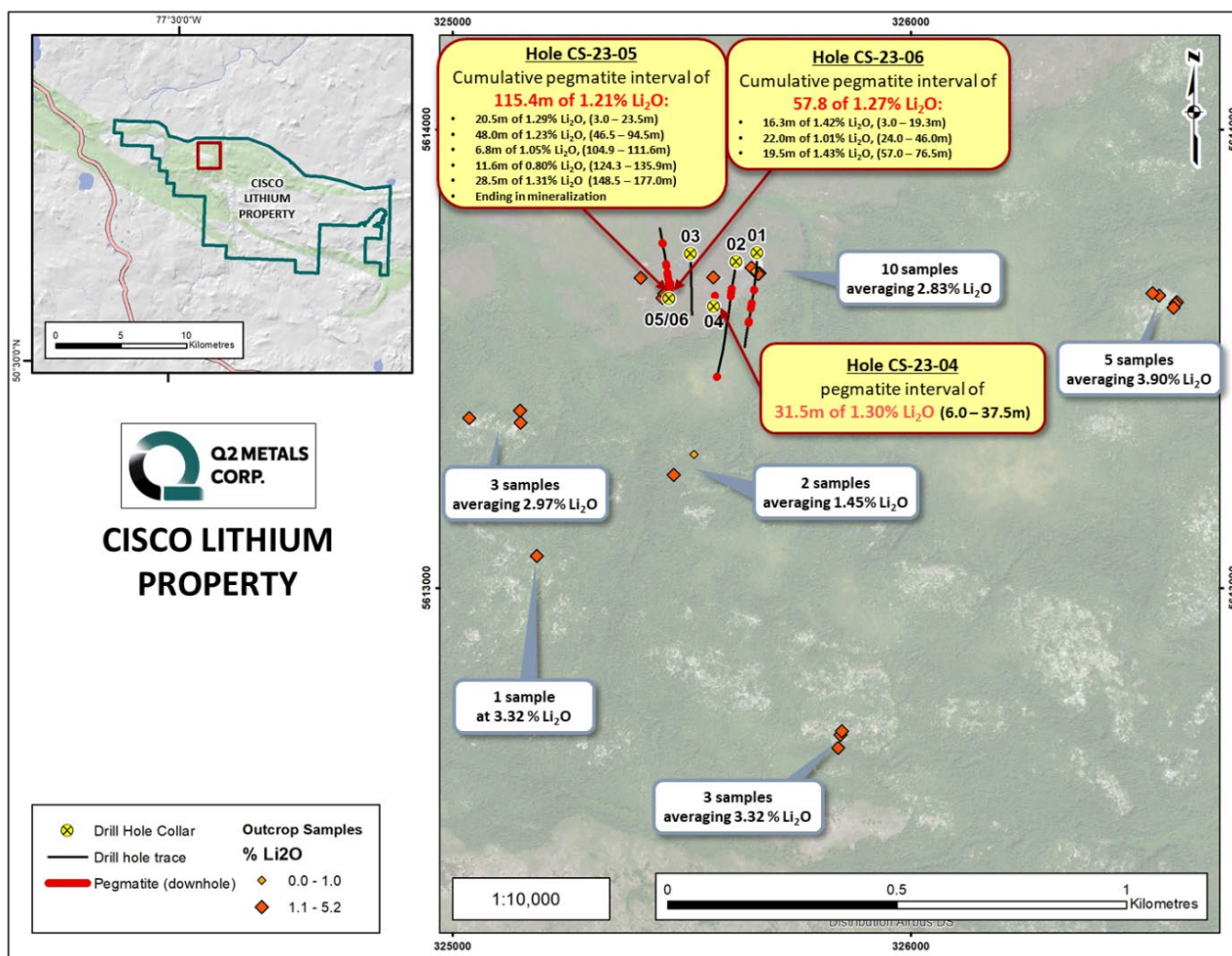


Figure 2. Cisco Property – Exploration Summary

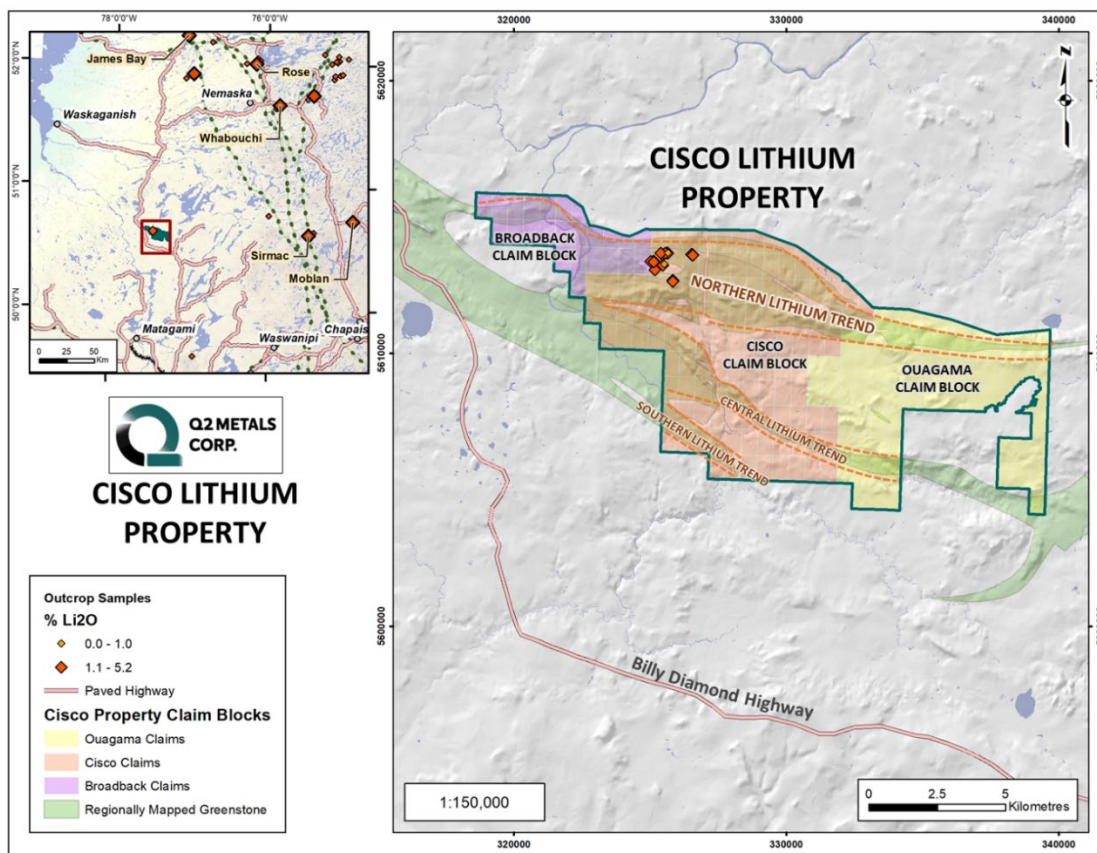


Figure 3. Cisco Property Claim Block Map

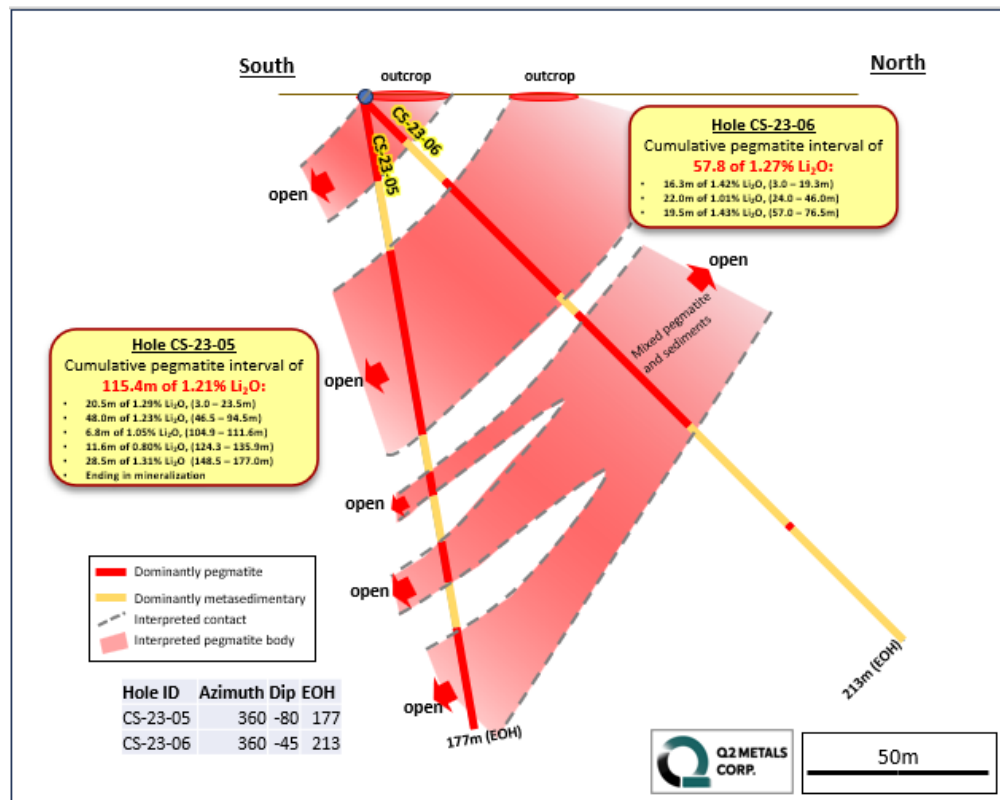


Figure 4. Cross section of drill holes CS-23-05 and 06

Table 1. Summary of 2023 Drilling

Hole ID	Azimuth	Dip	EOH	Easting	Northing	Elevation (m)
CS-23-01	180	-45	258	325664.1	5613732	284.6
CS-23-02	180	-45	333	325618.1	5613713	289.7
CS-23-03	180	-45	180	325518.9	5613730	283.1
CS-23-04	360	-80	126	325569.8	5613615	291.5
CS-23-05	360	-80	177	325472.3	5613632	288.1
CS-23-06	360	-45	213	325472.3	5613632	288.1

Table 2. Mineralized intercept summary for 2023 drill holes

Hole ID	From (m)	To (m)	Interval (m)	Li2O (%)
CS-23-01	141.5	156.0	14.5	0.57
incl.	152.6	155.0	2.4	1.58
and	189.2	195.3	6.1	0.49
CS-23-04	6.0	37.5	31.5	1.30
incl.	16.5	25.5	9.0	1.67
CS-23-05	Cumulative interval:		115.4	1.21
CS-23-05	3.0	23.5	20.5	1.29
and	46.5	94.5	48.0	1.23
incl.	49.5	58.5	9.0	1.73
and	104.9	111.6	6.8	1.05
and	124.3	135.9	11.6	0.80
and	148.5	177.0	28.5	1.31
incl.	148.5	157.5	9.0	1.78
CS-23-06	Cumulative interval:		57.8	1.27
CS-23-06	3.0	19.3	16.3	1.42
incl.	9.0	15.0	6.0	1.76
and	24.0	46.0	22.0	1.01
and	57.0	76.5	19.5	1.43
incl.	60.0	66.0	6.0	1.81

All intervals are reported as core-length with pegmatite that is >2 metres.

Option Terms:

Subject to TSX Venture Exchange (the “**TSXV**”) acceptance, the Company will acquire an Option to acquire the Cisco Project for total consideration of an aggregate of 60,000,000 common shares of the Company (the “**Consideration Shares**”), \$2,400,000 (the “**Cash Consideration**”) and \$12,000,000 in exploration expenditures. The following are the terms for each of the three mineral claim groups being acquired:

Cisco Claim Group

Pursuant to the terms of an option agreement between the Company and 9490-1626 Quebec Inc. (the “**Cisco Vendor**”) dated February 28, 2024 (the “**Cisco Agreement**”), in order for the Company to exercise the option to acquire a 100% interest in 121 mineral claims (the “**Cisco Claims**”) from the Cisco Vendor, the Company must pay to the Cisco Vendor total consideration

of an aggregate of 40,000,000 Common Shares, \$2,000,000 and \$12,000,000 in exploration expenditures as follows:

	Cash Consideration	Share Consideration	Exploration Expenditures
Closing date of the Cisco Agreement	\$1,100,000	10,000,000	
Year 1	\$500,000	10,000,000	\$1,000,000
Year 2	\$400,000	10,000,000	\$2,500,000
Year 3	-	10,000,000	\$3,500,000
Year 4	-	-	\$5,000,000
Total	\$2,000,000	40,000,000	\$12,000,000

Upon satisfaction of the above payments and expenditures, the Company will earn a 100% interest in the Cisco Claims.

The Cisco Vendor will retain a 4% gross metals returns royalty (“GMR”) on the Cisco Claims (the “**Cisco GMR**”), of which up to 3% of the Cisco GMR can be purchased by the Company at any time prior to commercial production for \$1,500,000 on the first 1%, \$3,000,000 on the next 1% and a right of first offer on the next 1% at a price to be determined based on fair market value of the Cisco GMR at the time of such purchase. The foregoing Cisco GMR purchase payments may be satisfied in either cash or Common Shares, at the election of the Company. The Cisco Vendor will also be paid a cash bonus of \$2,500,000 on the completion and delivery of an initial mineral resource calculation report, prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, on the Cisco Claims demonstrating an inferred resource (or higher category) of at least 25 million tonnes grading over 1% Li₂O.

Broadback Claims

Pursuant to the terms of an option agreement between the Company, 9219-8845 Quebec Inc (“**9219**”), Steven Labranche and Anna-Rosa Giglio (the “**Broadback Vendors**”) dated February 28, 2024 (the “**Broadback Agreement**”), in order for the Company to exercise the option to acquire a 100% interest in 24 mineral claims (the “**Broadback Claims**”) from the Broadback Vendors, the Company must pay to the Broadback Vendors total consideration of an aggregate of 10,000,000 Common Shares and \$200,000 as follows:

	Cash Consideration	Share Consideration
Closing date of the Broadback Agreement	\$200,000	5,000,000
Year 1	-	5,000,000
Total	\$200,000	10,000,000

Upon satisfaction of the above payments and expenditures, the Company will earn a 100% interest in the Broadback Claims.

9219 will be granted a 3% gross metals returns royalty on the Broadback Claims (the “**Broadback GMR**”), of which up to 2% of the Broadback GMR can be repurchased by the Company at any time prior to commercial production for \$1,000,000 for the first 1% and \$2,000,000 for the next 1%. The foregoing Broadback GMR purchase payments may be satisfied in either cash or Common Shares, at the election of the Company.

Ouagama Claims

Pursuant to the terms of an option agreement between the Company, 9219, Steven Labranche, Anna-Rosa Giglio and Trent Potts (the “**Ouagama Vendors**”) dated February 28, 2024 (the “**Ouagama Agreement**”), in order for the Company to exercise the option to acquire a 100% interest in 77 mineral claims (the “**Ouagama Claims**”) from the Ouagama Vendors, the Company must pay to the Ouagama Vendors total consideration of an aggregate of 10,000,000 Common Shares and \$200,000 as follows:

	Cash Consideration	Share Consideration
Closing date of the Ouagama Agreement	\$200,000	5,000,000
Year 1	-	5,000,000
Total	\$200,000	10,000,000

Upon satisfaction of the above payments and expenditures, the Company will earn a 100% interest in the Ouagama Claims.

The Ouagama Vendors will be granted a 3% gross metals returns royalty on the Ouagama Claims (the “**Ouagama GMR**”) of which up to 2% of the Ouagama GMR can be repurchased by the Company at any time prior to commercial production for \$1,000,000 for the first 1% and \$2,000,000 for the second 1%. The foregoing Ouagama GMR purchase payments may be satisfied in either cash or Common Shares, at the election of the Company.

No finder’s fee is payable in connection with the Option. The Option remains subject to TSXV acceptance.

Undertaking

The Cisco Vendors, Broadback Vendors and Ouagama Vendors are expected to severally undertake to not acquire or hold, together with any person acting jointly or in concert with such vendor, more than 9.9% of the Common Shares outstanding immediately after giving effect to such receipt of Consideration Shares. If any issuance of Consideration Shares will result in a vendor owning more than 9.9% of the Common Shares, such vendor will defer such issuance until such time his or her beneficial ownership of the Company is equal to or less than 9.9% of the Common Shares.

Qualified Person

Neil McCallum, B.Sc., P.Geol, is a registered permit holder with the Ordre des Géologues du Québec and Qualified Person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, is responsible for the scientific and technical data presented herein and has reviewed and approved this news release. Mr. McCallum is a director and VP Exploration of Q2.

The drilling and sampling performed by the Property vendors was supervised by Jeannot Thériège, a registered permit holder with the Ordre des Géologues du Québec. Mr. Thériège is a shareholder of the Cisco Vendor and as such, is not independent.

Quality Control

The samples were sent to Techni-Lab Abitibi Inc. (a division of Activation Laboratories Ltd.), whereupon the samples were tested for lithium with the Actlabs analytical Code 8 Sodium Peroxide Fusion - ICP-OES/ICP-MS Finish – Lithium Ore analysis package with a sodium peroxide fusion digestion and ICP/OES analysis. Sodium peroxide fusion is considered as a total digestion method for lithium assays. Actlabs performs its own internal QAQC checks and the Property Vendors included sufficient QAQC samples (standards and blanks) that are sufficient to match the level of work that was conducted.

About Q2 Metals Corp

Q2 Metals Corp. is a Canadian mineral exploration company currently advancing exploration at the more than 10 km long Mia Trend on its 8,668-ha flagship Mia Lithium Property in the Eeyou Istchee James Bay Territory of Quebec, Canada which is host to both the MIA 1 and MIA 2 lithium occurrences as well as eleven confirmed mineralized zones. The Company also owns the Stellar Lithium Property with 77 claims totaling 3,972-ha, located approximately six kilometres north of its Mia Lithium Property.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian legislation. Forward-looking statements are typically identified by words such as: “believes”, “expects”, “anticipates”, “intends”, “estimates”, “plans”, “may”, “should”, “would”, “will”, “potential”, “scheduled” or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. Accordingly, all statements in this news release that are not purely historical are forward-looking

statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, any statements or plans regard the geological prospects of the Company's properties and the future exploration endeavors of the Company. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements are based on a number of material factors and assumptions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this news release speak only as of the date of this news release or as of the date specified in such statement. Forward looking statements in this news release include, but are not limited to, the Cisco Property being a game-changer for Q2, the potential of the Property, the potential for the Cisco Property to be located in a new lithium pegmatite district, the Cisco Property holding tremendous value for Q2 to unlock, exploration results on the Cisco Property and inferences made therefrom, future plans on the Property include property-wide exploration including sampling/mapping, airborne magnetic surveying and LiDAR surveying, exercising the option of the claims comprising the Cisco Property, the ability to buy back the gross metals returns royalties and the terms thereof, the completion of each of the Cisco Agreement, Broadback Agreement and Ouagama Agreement on the terms stated or at all, the focus of the Company's current and future exploration and drill programs, the scale, scope and location of future exploration and drilling activities, the Company's expectations in connection with the projects and exploration programs being met, the Company's objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from those in forward-looking statements include failure to obtain necessary approvals, variations in ore grade or recovery rates, changes in project parameters as plans continue to be refined, unsuccessful exploration results, changes in project parameters as plans continue to be refined, results of future resource estimates, future metal prices, availability of capital and financing on acceptable terms, general economic, market or business conditions, risks associated with regulatory changes, defects in title, availability of personnel, materials and equipment on a timely basis, accidents or equipment breakdowns, uninsured risks, delays in receiving government approvals, unanticipated environmental impacts on operations and costs to remedy same. Readers are cautioned that mineral exploration and development of mines is an inherently risky business and accordingly, the actual events may differ materially from those projected in the forward-looking statements. Additional risk factors are discussed in the section entitled "Risk Factors" in the Company's Management Discussion and Analysis for its recently completed fiscal period, which is available under Company's SEDAR profile at www.sedarplus.ca.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.