

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Kalo Gold Corp. (the “**Company**”)
Suite 1507, 1030 West Georgia Street
Vancouver, BC, V6E 2Y3

Item 2 Date of Material Change

December 23, 2025

Item 3 News Release

A news release dated December 23, 2025 was disseminated via Newswire and subsequently filed on SEDAR+.

Item 4 Summary of Material Change

On December 23, 2025, the Company completed the first tranche of its previously announced non-brokered private placement under the Listed Issuer Financing Exemption (as defined herein) of 7,648,750 units (the “**Unit**”) at \$0.32 per Unit (the “**Offering Price**”) for gross proceeds of \$2,447,600 (the “**LIFE Offering**”). Concurrently, the Company has also closed the first tranche of its previously announced non-brokered private placement of Units of 25,110,625 Units at the Offering Price for gross proceeds of \$8,035,400 (the “**Concurrent Offering**”, and together with the LIFE Offering, the “**Offerings**”) for total aggregate proceeds of \$10,483,000.

Item 5 Full Description of Material Change

On December 23, 2025, the Company completed the first tranche of the LIFE Offering of 7,648,750 Units at the Offering Price, for gross proceeds of \$2,447,600. Concurrently, the Company has also closed the first tranche of its Concurrent Offering of 25,110,625 Units at the Offering Price for gross proceeds of \$8,035,400, for total aggregate proceeds of the Offerings being \$10,483,000.

Each Unit consists of one common share (each, a “**Share**”) in the capital of the Company and one-half of one common share purchase warrant (each, a “**Warrant**”). Each Warrant is exercisable for one Share at the exercise price of \$0.50 for a period of thirty-six months from the date of issue. In addition, the expiry date of the Warrants is subject to acceleration if the volume weighted average trading price of the Shares on the TSX Venture Exchange (“**TSXV**”) (or such other stock exchange where the Shares are then listed or quoted) is greater than \$0.75 for a period of twenty (20) consecutive trading days, in which case the expiry date of the Warrants may be accelerated to a date that is thirty (30) days following the date the Company provides notice to the Warrant holders, by way of a news release, that the expiry date has been accelerated.

The LIFE Offering is being conducted under the listed issuer financing exemption as per Part 5A of National Instrument 45-106 - *Prospectus Exemptions*, as amended by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “**Listed Issuer Financing Exemption**”). As a result, the securities acquired under the LIFE Offering by investors resident

in Canada will not be subject to a hold period pursuant to applicable Canadian securities laws. Provided, however, that any Warrants issued pursuant to the LIFE Offering are not exercisable within 60 days. All securities acquired pursuant to the Concurrent Offering will be subject to a hold period of four (4) months pursuant to applicable Canadian securities laws.

The Company intends to use the net proceeds of the Offerings for drilling and exploration on the Vatu Aurum Project and working capital, marketing and general corporate purposes.

In connection with the Offerings, the Company paid finder's fees in the amount of \$117,684 and issued 367,762 finder's warrants. Each finder's warrant entitles the holder to acquire one Share at an exercise price of \$0.50 per share for a period of 36 months from the date of issuance, under the same terms as the Warrants issued pursuant to the Concurrent Offering.

The Company may complete one or more additional tranches of the Offerings up to the maximum amount previously announced. Any such additional closings will remain subject to the approval of the TSXV and all other necessary regulatory approvals.

One insider of the Company participated in the Concurrent Offering for approximately C\$500,000. The issuance of Units to such insider is considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company is relying on exemptions from the formal valuation requirements of MI 61-101 pursuant to section 5.5(a) and the minority shareholder approval requirements of MI 61-101 pursuant to section 5.7(1)(a) in respect of such insider participation as the fair market value of the transaction, insofar as it involves interested parties, does not exceed 25% of the Company's market capitalization.

The securities issued pursuant to the Offerings have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from such registration requirements. This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Related Party Disclosure

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

(a) a description of the transaction and its material terms:

See item 5 above.

(b) the purpose and business reasons for the transaction:

See item 5 above.

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

See item 5 above.

(d) a description of:

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

Prior to the first tranche of the Offerings, Crescat Portfolio Management LLC (“Crescat”), a 10% shareholder of the Company, held or controlled 8,666,800 common shares of the Company. Pursuant to the first tranche, Crescat acquired an aggregate of 1,562,500 Units. After closing of the first tranche, the number of common shares beneficially owned or controlled by Crescat is 10,229,300 common shares or approximately 9.27% of the outstanding common shares of the Company.

(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:

See item (d)(i) above.

(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:

Resolution passed by the board of directors of the Company on December 1, 2025. No special committee was established in connection with the transaction.

(f) a 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.

(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:

Not applicable.

ii. the existence of which is known, after reasonable enquiry, to the issuer or to any director or senior officer of the issuer:

Not applicable.

(h) the 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:

Other than the subscription agreements entered into with Crescat, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the

Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offerings.

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

The participation of Crescat in the first tranche of the Offerings constitutes a related party transaction under MI 61-101. The Company is relying on the exemptions from the valuation requirement and the minority approval requirement set out in subsections 5.5(a) *Fair Market Value Not More than 25% of Market Capitalization* and 5.7(1)(a) *Fair Market Value not More than 25% of Market Capitalization*, of MI 61-101, respectively.

The Company will send a copy of this material change report to any security holder of the Company upon request and without charge.

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

The name and telephone number of the officer of the Company who is knowledgeable about the material change and the Material Change Report is:

Terry L. Tucker, President and Chief Executive Officer
(604) 363-0411.

Item 9 Date of Report

January 6, 2025

FORWARD-LOOKING STATEMENTS:

This material change report contains certain forward-looking statements and forward-looking information (collectively, "forward-looking statements") related to the closing of the Offerings, use of proceeds and other such future events and Kalo's future business, operations, and financial performance and condition. Forward-looking statements normally contain words like "will", "intend", "anticipate", "could", "should", "may", "might", "expect", "estimate", "forecast", "plan", "potential", "project", "assume", "contemplate", "believe", "shall", "scheduled", and similar terms. Forward-looking statements are not guarantees of future performance, actions, or developments and are based on expectations, assumptions, and other factors that management currently believes are relevant, reasonable, and appropriate in the circumstances. Although management believes that the forward-

looking statements herein are reasonable, actual results could be substantially different due to the risks and uncertainties associated with and inherent to Kalo's business. Additional material risks and uncertainties applicable to the forward-looking statements herein include, without limitation, the impact of general economic conditions, and unforeseen events and developments. This list is not exhaustive of the factors that may affect the Company's forward-looking statements. Many of these factors are beyond the control of Kalo. All forward-looking statements included in this material change report are expressly qualified in their entirety by these cautionary statements. The forward-looking statements contained in this material change report are made as at the date hereof, and Kalo undertakes no obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required by applicable securities laws. Risks and uncertainties about the Company's business are more fully discussed under the heading "Risk Factors" in its most recent management's discussion and analysis. They are otherwise disclosed in its filings with securities regulatory authorities available on SEDAR+ at www.sedarplus.ca.