

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Grafton Resources Inc. (“**Grafton**” or the “**Company**”)
c/o Suite 1400 – 1050 West Pender Street
Vancouver, BC V6E 3S7

Item 2: Date of Material Change

December 19, 2025.

Item 3: News Release

The news release was disseminated on December 19, 2025 through Newswire and filed on SEDAR+.

Item 4: Summary of Material Change

Grafton announced that the Company, through a wholly-owned Chilean subsidiary, has entered into a definitive option agreement dated December 11, 2025 (the “**Subsidiary Option Agreement**”) with Asesorias e Inversiones Sol SpA (the “**Vendor**”), an arm’s length vendor, pursuant to which the Vendor has granted to the Company an exclusive option (the “**Option**”) to acquire a 100% interest in the Alicahue Copper-Gold Project (the “**Project**” or “**Alicahue**”), located in the Valparaiso Region of Chile. The Project comprises 3,500 Ha of concessions, at an average altitude of 1,700 m. The Project is located 140 km by road to Santiago and 67 km from the coast. The Subsidiary Option Agreement, together with a share consideration agreement dated December 16, 2025 entered into between the Company and the Vendor (collectively, the “**Option Agreement**”) supersede the framework agreement entered into between the Company and the Vendor that was previously announced in the Company’s press release dated October 28, 2025.

Item 5: Full Description of Material Change

Grafton announced that the Company, through a wholly-owned Chilean subsidiary, has entered into the Subsidiary Option Agreement with the Vendor, an arm’s length vendor, pursuant to which the Vendor has granted to the Company an exclusive Option to acquire the Project. The Project comprises 3,500 Ha of concessions, at an average altitude of 1,700 m. The Project is located 140 km by road to Santiago and 67 km from the coast. The Option Agreement supersedes the framework agreement entered into between the Company and the Vendor that was previously announced in the Company’s press release dated October 28, 2025

Option Agreement Terms

- The Option is structured with a five-year timeline, the first four years of which will be designated for exploration work, and the final year of which will be designated for the preparation of a technical report and payment of the Option exercise payment (see below).
- The Company is required to incur exploration expenditures of US\$4,000,000 over the first four years (with no 12-month period seeing less than US\$500,000 in exploration expenditures).
- Upon successful completion of the exploration expenditure commitment, the Company is able to exercise the Option by making an exercise payment of US\$3,000,000.
- Upon exercise of the Option, the Vendor will retain a 2.0% net smelter returns (“**NSR**”) royalty, and the Company will have the option to repurchase one-half (1.0%) of the NSR royalty for US\$5,000,000.

- The Company will also pay a resource payment to the Vendor on future resources defined on the Project, with such resource payment to be US\$5.00 per tonne of contained copper equivalent metal using a 0.2% cut-off grade, based on measured, indicated and inferred resources as defined under a National Instrument 43-101 compliant mineral resource estimate as at the date of a construction decision.
- The Company will also make the following payments and share issuances:

Timeline	Cash Consideration	Share Consideration
On Signing of Option Agreement	US\$1,000	Such number of common shares equal to US\$100,000.
First Anniversary of Option Agreement	US\$74,000	Such number of common shares equal to US\$75,000
Second Anniversary of Option Agreement	US\$75,000	Such number of common shares equal to US\$75,000

Signing Payment and Finder's Fee

In satisfaction of the signing payment obligations, the Company has paid US\$1,000 to the Vendor and issued 312,955 common shares in the capital of the Company (the "**Signing Payment Shares**") to the Vendor at a deemed price of C\$0.44 per Signing Payment Share.

The Company will also issue 1,450,400 common shares in the capital of the Company (the "**Finder Shares**") (representing a 7% finder's fee on the total value of the Option, assuming full exercise) at a deemed price of \$0.50 per Finder Share to a certain arm's length finder (the "**Finder**") in connection with the Option Agreement. The Company has issued the first 500,000 Finder Shares, which became due upon signing of the Option Agreement. A further 500,000 Finder Shares will be issuable to the Finder upon the completion of a maiden drill program on the Project, and the last 450,400 Finder Shares will be issuable to the Finder upon the exercise of the Option.

The Signing Payment Shares, all additional common shares to be issued to the Vendor under the Option Agreement, and all Finder Shares will be subject to a four-month and a day hold period pursuant to Canadian securities laws and the policies of the Canadian Securities Exchange (the "**Exchange**").

Correction to News Release dated November 27, 2025

The Company announces a correction to the finder's fee figures disclosed in its news release dated November 27, 2025 relating to the closing of its non-brokered private placement. The Company paid

\$137,784 in cash, and issued 275,568 non-transferable finder's warrants (each, a "**November Finder's Warrant**") to certain arm's length finders. Each November Finder's Warrant will entitle the holder to purchase one common share of the Company at a purchase price of \$0.80 per share until November 27, 2027. The Company will post an amended Form 9 – *Notice of Issuance or Proposed Issuance of Listed Securities* on the Exchange's website in order to reflect this correction.

Forward-Looking Statements

This material change report includes certain statements and information that constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this material change report, other than statements of historical facts are forward-looking statements. Such forward-looking statements and forward-looking information specifically include, but are not limited to, statements that relate to the Option, potential mineralization on the Project, future exploration plans on the Project and the timing and results of future exploration.

Statements contained in this release that are not historical facts are forward-looking statements that involve various risks and uncertainty affecting the business of the Company. Such statements can generally, but not always, be identified by words such as "expects", "plans", "anticipates", "intends", "estimates", "forecasts", "schedules",

"prepares", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. All statements that describe the Company's plans relating to operations and potential strategic opportunities are forward-looking statements under applicable securities laws. These statements address future events and conditions and are reliant on assumptions made by the Company's management, and so involve inherent risks and uncertainties, as disclosed in the Company's periodic filings with Canadian securities regulators, including without limitation, risks related to the completion of the acquisition of the Option; the dangers inherent in exploration, development and mining activities; actual exploration or development plans and costs differing materially from the Company's estimates; the ability to obtain and maintain any necessary permits, consents or authorizations required for mining activities; environmental regulations or hazards and compliance with complex regulations associated with mining activities; climate change and climate change regulations; fluctuations in exchange rates; the availability of financing; operations in foreign and developing countries and the compliance with foreign laws, remote operations and the availability of adequate infrastructure; fluctuations in price and availability of energy and other inputs necessary for mining operations; shortages or cost increases in necessary equipment, supplies and labour; regulatory, political and country risks, including local instability or acts of terrorism and the effects thereof; the reliance upon contractors, third parties and joint venture partners; challenges to title or surface rights; the dependence on key personnel and the ability to attract and retain skilled personnel; the risk of an uninsurable or uninsured loss; adverse climate and weather conditions; litigation risk; and competition with other mining companies. As a result of these risks and uncertainties, and the assumptions underlying the forward-looking information, actual results could materially differ from those currently projected, and there is no representation by the Company that the actual results realized in the future will be the same in whole or in part as those presented herein. the Company disclaims any intent or obligation to update forward-looking statements or information except as required by law. Readers are referred to the additional information regarding the Company's business contained in the Company's reports filed with the securities regulatory authorities in Canada. Although the Company has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, there may be other factors that could cause actions, events or results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company's filings that are available at www.sedarplus.ca.

The Company provides no assurance that forward-looking statements and information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company does not undertake to update any forward looking statements, other than as required by law.

Item 6: Reliance on subsection 7.2 of National Instrument 51-102

N/A.

Item 7: Omitted Information

N/A.

Item 8: Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

John Campbell Smyth
Chairman, Interim Chief Executive Officer and Director
+61403203402

Item 9: Date of Report

December 23, 2025