FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

McFarlane Lake Mining Limited (the "**Company**")
15 Kincora Court
Sudbury, Ontario P3E 2B9

2. Date of Material Changes

June 7, 2024 and June 27, 2024.

3. News Release

News releases dated June 10, 2024 and June 27, 2024 were disseminated via the facilities of Newsfile Corp. and concurrently filed on the www.sedarplus.ca.

4. Summary of Material Changes

The Company has completed its non-brokered private placement of units (the "**Units**") and flow-through shares (the "**FT Shares**") of the Company for combined aggregate gross proceeds of approximately CAD$1,552,040 (the "**Offering**"). The Offering was completed in two tranches. The Units were issued at a price of CAD$0.045 per Unit and the FT Shares were issued at a price of CAD$0.05 per FT Share. The FT Shares will qualify as "flow-through shares" within the meaning of subsection 66(15) of the *Income Tax Act* (Canada) (the "**Tax Act**").

In connection with the Offering, the Company issued 96,693 Units to certain persons in consideration for introducing certain purchasers to the Company.

5. Full Description of Material Change

The Company has completed the Offering, at a price of CAD$0.045 per Unit and a price of CAD$0.05 per FT Share, for combined aggregate gross proceeds of CAD$1,552,040. A total of 18,823,110 Units and 14,100,000 FT Shares were sold and issued in two tranches as follows:

- 10,556,443 Units and 13,900,000 FT Shares on June 7, 2024 for combined gross proceeds of CAD$1,170,040; and

- 8,266,667 Units and 200,000 FT Shares on May 17, 2024 for combined gross proceeds of CAD$382,000.

Each Unit consisted of one common share of the Company (each, a "**Common Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant is exercisable by the holder to acquire one Common Share at a price of CAD$0.07 per Common Share for a period of 18 months from the date of issuance.

In accordance with applicable Canadian securities laws, all securities issued in connection with the Offering are subject to a four (4) month and one (1) day hold from date of issuance.

The proceeds from the Offering will be used to further explore the Company's past producing McMillan and West Hawk Lake gold properties, expand compliant gold resources at its High Lake property, as well as for general working capital purposes. The gross proceeds received by the Company from the sale of the FT Shares will be used to incur eligible "Canadian Exploration Expenses" ("**CEE**") that will qualify as "flow-through mining expenditures" (as such terms are defined in the Tax Act) which will be renounced in favour of the holders with an effective date of no later than December 31, 2024.

6. Related Party Transactions

Mark Trevisiol, Perry Dellelce, Fergus Kerr and Dario Zulich, directors of the Company (together, the "**Insider Placees**"), acquired a combined total of 6,111,110 Units and 200,000 FT Shares, in the Offering for a total combined purchase price of CAD$285,000. The subscription for Units and FT Shares by the Insider Placees constituted a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Shareholders in Special Transactions* ("**MI 61-101**"). The Insider Placees entered into subscription agreements with the Company that contained customary terms and are in the same form as the subscription agreements entered into by other subscribers in connection with the Offering.

A resolution of the board of directors of the Company approving the Offering was passed in accordance with the *Business Corporations Act* (Ontario). No special committee was established in connection with the Offering and no materially contrary view or abstention was expressed or made by any director.

The Company has relied on the exemption from the formal valuation requirement contained in Section 5.5(a) of MI 61-101 and has relied on the exemption from the minority shareholder requirements contained in Section 5.7(1)(a) of MI 61-101 in respect of the subscription for Units and FT Shares by the Insider Placees on the basis that the aggregate fair market value of Units and FT Shares issued to the Insider Placees does not exceed 25% of the Company's market capitalization as determined in accordance with MI 61-101.

A material change report as contemplated by the related party transaction requirements under MI 61-101 was not filed more than 21 days prior to the expected closing of the Offering. The Company considers this reasonable in the circumstances as the details of the participation by the Insider Placees was not determined until shortly prior to the closing of the Offering.

7. Reliance on subsection 7.1(2) of National Instrument 51-102

The report is not being filed on a confidential basis.

8. Omitted Information

No significant facts have been omitted from this Material Change Report.

9. Executive Officer

For further information, please contact Mark Trevisiol, Chief Executive Officer of the Company, at 705-562-8520.

10. Date of Report

This report is dated at Toronto, this 4th day of July, 2024.