FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Borealis Mining Company Limited (the “**Company**”)
5th Floor – 410 West Georgia Street
Vancouver, British Columbia V6B 1Z3

2. Date of Material Change

February 26, 2025

3. News Release

A press release disclosing the material change was released on February 26, 2025, through the facilities of Newsfile Corp.

4. Summary of Material Change

On February 26, 2025, the Company announced the closing of a bought deal public offering (the “**Offering**”) pursuant to which the Company issued an aggregate of 17,857,150 units (the “**Units**”) at a price of C$0.56 per Unit (the “**Issue Price**”), for gross proceeds to the Company of C$10,000,004.

5. Full Description of Material Change

The Units were issued and sold pursuant to the terms of an underwriting agreement dated February 7, 2025 among the Company, Haywood Securities Inc. (“**Haywood**”), as lead underwriter and sole bookrunner, Red Cloud Securities Inc. and StephenAvenue Securities Inc. (collectively with Haywood, the “**Underwriters**”).

Each Unit consists of one common share of the Company (a “**Share**”) and one-half of one common share purchase warrant (each whole such warrant, a “**Warrant**”) exercisable at a price of C$0.78 per Share for a period of 24 months following closing of the Offering.

The net proceeds from the sale of the Units will be used by the Company to fund exploration and development at the Company’s gold projects in Nevada, and for working capital and general corporate purposes.

The Units were offered by way of short form prospectus in each of the provinces of Canada (other than Quebec), pursuant to National Instrument 44-101 – Short Form Prospectus Distributions. The Units were also offered in the United States pursuant to an exemption from the registration requirements of the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and in such other jurisdictions outside of Canada and the United States as agreed, in each case in accordance with all applicable laws and provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction. The Offering remains subject to final acceptance of the TSX Venture Exchange.

In connection with the Offering, the Underwriters were paid an aggregate cash commission of C$560,000.56 representing 6% of the gross proceeds of the Offering, subject to a 2% cash commission in respect of President's List subscribers. In addition, the Underwriters were issued 1,000,001 compensation options (the "**Compensation Options**") representing 6% of the number of Units sold pursuant to the Offering, except for Units sold to President's List subscribers, where the Compensation Options issued represent 2%. Each Compensation Option is exercisable at the Issue Price for one Share for a period of 24 months following closing of the Offering.

The securities issued in the Offering have not been, and will not be, registered under 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 nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Evanachan Limited, a corporation beneficially owned and controlled by Robert R. McEwen (the "**Insider**"), an insider (10% holder) of the Company, acquired an aggregate of 1,785,700 Units in the Offering, which participation constituted a "related party transaction" as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**").

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:

The Private Placement constituted a "related party transaction" as such term is defined by MI 61-101 as the Insider acquired an aggregate of 1,785,700 Units.

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

The net proceeds from the Offering will be used to advance exploration activities, extraction of gold, engineering and permitting work and general corporate and working capital purposes, among others, as described in detail in the Company's short form prospectus dated February 21, 2025, which is available on the Company's SEDAR+ profile at www.sedarplus.ca.

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

The Company expects that the funds raised in the Offering will allow it to advance its projects and business objectives and milestones, as described in detail in the Company's short form prospectus dated February 21, 2025, which is available on the Company's SEDAR+ profile at www.sedarplus.ca.

(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:

In connection with the Offering, the Insider, a 10% holder of the Company, acquired 1,785,700 Units for an aggregate amount of $999,992.

(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:**

Prior to the completion of the Offering, the Insider held, directly or indirectly 13,488,153 Shares representing approximately 16.2% of the issued and outstanding Shares. Upon closing of the Offering, the Insider holds 15,273,853 Shares and 892,850 Warrants, representing approximately 15.11% of the issued and outstanding Shares on an undiluted basis and 15.85% on a partially diluted basis.

(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:

A resolution of the board of directors was passed on February 20, 2025 approving the Offering. No special committee was established in connection with the Offering, and no materially contrary view or abstention was expressed or made by any director.

(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 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:

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 Offering.

(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 Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner. The Offering was approved by all independent directors of the Company.

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

The report is not being filed on a confidential basis.

7. Omitted Information

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

8. Executive Officer

For further information, contact Kelly Malcolm, President and Chief Executive Officer of the Company at (647) 299-1153.

9. Date of Report

This report is dated at Toronto, this 26th day of February, 2025.

This material change report contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. Such forward-looking statements include, without limitation, statements regarding the use of proceeds from the Offering and final acceptance of the TSX Venture Exchange.. Although the Company believes that such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events.

The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors and risks, including, uncertainties with respect to obtaining all regulatory approvals to complete the Offering, uncertainties of the global economy, market fluctuations, the discretion of the Company in respect to the use of proceeds discussed above, any exercise of termination by counterparties under applicable agreements, the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies and other risks identified in its disclosure documents filed at www.sedarplus.ca. This material change report is not, and is not to be construed in any way as, an offer or recommendation to buy or sell securities in Canada or in the United States.

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 events, results and/or developments may differ materially from those in the forward-looking statements. Readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with and as required by applicable securities laws.