

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

1329306 B.C. Ltd. (the “Company” or “ShellCo”)
Suite #3606 – 833 Seymour Street
Vancouver, BC V6B 0G4

Item 2 Date of Material Change

August 15, 2023

Item 3 News Release

A news release dated August 16, 2023, was disseminated through the news dissemination services of Accesswire and filed on SEDAR (www.sedarplus.ca).

Item 4 Summary of Material Change

On August 16, 2023, the Company announces that the Company and Zodiac Gold Inc. (“Zodiac”) have entered into an arrangement agreement dated August 15, 2023 pursuant to which Zodiac and ShellCo will complete a transaction that will result in the previously announced reverse takeover of ShellCo by the shareholders of Zodiac (the “Transaction”). Upon completion of the Transaction, the resulting company (the “Resulting Issuer”) will continue to carry on the business of Zodiac and will focus on the exploration and potential development of Zodiac’s Todi gold project in Liberia (previously known as the Mount Coffee project). The Arrangement Agreement supersedes and replaces the June 20, 2023 letter of intent between Zodiac and ShellCo relating to the Transaction.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

See Schedule “A” attached.

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

Robin McWatt
Chief Executive Officer, Chief Financial Officer & Director
T: (514) 707-0481

Item 9 Date of Report

August 21, 2023

Forward Looking Information

This material change report contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this press release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this press release, forward-looking statements relate, among other things, to: the Transaction and certain terms and conditions thereof; the business of Zodiac, information concerning the Todi project, the Zodiac and ShellCo financings; the proposed directors and officers of the Resulting Issuer; court, shareholder and director; and future press releases and disclosure. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; and the delay or failure to receive shareholder, director or regulatory approvals. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, ShellCo assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.

Completion of the Transaction is subject to a number of conditions, including but not limited to TSXV acceptance. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

ZODIAC GOLD INC. AND 1329306 B.C. LTD. ENTER INTO DEFINITIVE AGREEMENT

August 16, 2023 (VANCOUVER, BRITISH COLUMBIA) – Zodiac Gold Inc. (“Zodiac”), a British Columbia corporation, and 1329306 B.C. Ltd. (“ShellCo”), are pleased to announce that they have entered into an arrangement agreement dated August 15, 2023 (the “Arrangement Agreement”) pursuant to which Zodiac and ShellCo will complete a transaction that will result in the previously announced reverse takeover of ShellCo by the shareholders of Zodiac (the “Transaction”). Upon completion of the Transaction, the resulting company (the “Resulting Issuer”) will continue to carry on the business of Zodiac and will focus on the exploration and potential development of Zodiac’s Todi gold project in Liberia (previously known as the Mount Coffee project). The Arrangement Agreement supersedes and replaces the June 20, 2023 letter of intent between Zodiac and ShellCo relating to the Transaction.

“Signing the Arrangement Agreement and submitting our listing application is a key milestone on our path towards going public,” said David Kol, director and Chief Executive Officer of Zodiac Gold. “Becoming a publicly traded company will be transformative for Zodiac Gold that aligns with our commitment to enhancing shareholder value, gaining improved access to capital and delivering liquidity for our shareholders.”

The Todi Project

The Todi project consists of one mineral exploration license covering 418 km² in the Montserrado and Bomi Counties in the Republic of Liberia and two separate reconnaissance licenses covering 2,200 km² in Grand Bassa, Bomi, and Grand Cape Mount counties, for a total of 2,618 km². The Todi project is located on and along the prolific Todi Shear Zone within the West African Craton and accessible via paved and gravel roads for approximately 21 km from Monrovia, the capital of Liberia. Exploration activities to date have defined five multi-kilometer long gold in soil anomalies covering a strike length of ~16 km. Current work on the project is focused on the Arthington target area where diamond drilling has uncovered a potentially significant new gold discovery. Planned diamond drilling program at Arthington aims to achieve a maiden mineral resource at a low cost.

The Transaction

Pursuant to the Arrangement Agreement, among other things, ShellCo proposes to acquire all of the issued and outstanding shares of Zodiac (“Zodiac Shares”) in exchange for shares of ShellCo (“ShellCo Shares”) by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia).

Pursuant to the Arrangement Agreement, ShellCo will acquire all of the issued and outstanding Zodiac Shares, including all of the Zodiac Shares issued in connection with the Zodiac financing in exchange for ShellCo Shares on a one-for-one basis at a deemed price of \$0.18 per share. Assuming that there will be 58,567,527 Zodiac Shares issued and outstanding immediately prior to closing, a total of 58,567,527 ShellCo Shares will be issued to the Zodiac shareholders under the Arrangement Agreement representing an aggregate deemed consideration of \$10,542,155. In

addition, all of the issued and outstanding options and warrants to acquire Zodiac Shares will be exchanged for Resulting Issuer options and Resulting Issuer warrants having equivalent terms on a one-for-one basis.

Upon completion of the Transaction, and assuming the ShellCo and Zodiac financings described below are fully subscribed, the shareholders of ShellCo and Zodiac immediately prior to the completion of the Transaction (including shareholders who acquired their shares pursuant to the ShellCo and Zodiac financings) are expected to hold 13,070,411 and 58,567,527 Resulting Issuer shares, respectively (representing 18.2% and 81.8%, respectively, of the outstanding Resulting Issuer shares on a non-diluted basis), and there are expected to be a total of 71,637,938 Resulting Issuer shares, 6,065,000 Resulting Issuer options and 31,746,747 Resulting Issuer warrants issued and outstanding.

Prior to completing the Transaction, ShellCo intends to complete a reorganization of the ShellCo Shares involving a consolidation of the ShellCo Shares followed by a split of the ShellCo Shares. The effect of this reorganization will be to consolidate the ShellCo Shares on the basis of one post-reorganization ShellCo Share for every 14 pre-reorganization ShellCo Shares.

The Transaction contemplates a number of related steps and transactions, including the Zodiac financing and the ShellCo financing transactions described below, the change of the name of the Resulting Issuer to “Zodiac Gold Corp.” and the reconstitution of the board of directors and officers of the Resulting Issuer.

The Transaction is an Arm’s Length Transaction and is subject to the satisfaction of a number of conditions, including the receipt of all necessary court and Zodiac shareholder approvals as well as conditional approval from the TSX Venture Exchange (the “TSXV”) for the listing of the shares of the Resulting Issuer and completion of the private placements described below.

Financing

In connection with the Transaction, ShellCo and Zodiac intend to complete non-brokered private placement financings for aggregate gross proceeds of up to approximately \$2.4 million. The proceeds of the financings will be used to pay Transaction costs, to finance exploration and other expenses relating to the Todi project and to fund the working capital requirements of the Resulting Issuer.

Pursuant to the ShellCo financing, ShellCo intends to raise gross proceeds of up to approximately \$1.2 million by way of a non-brokered private placement of ShellCo Shares at a post-reorganization price of \$0.10 per share. ShellCo has already raised approximately \$587,000 of this amount.

Pursuant to the Zodiac financing, Zodiac intends to raise gross proceeds of up to approximately \$1.2 million by way of a non-brokered private placement of Zodiac units at a price of \$0.18 per unit. Zodiac has already raised approximately \$630,000 of this amount. Each unit consists of one Zodiac Share and one-half of one Zodiac warrant, with each full warrant allowing the holder to

acquire an additional Zodiac Share at a price of \$0.25 per Zodiac Share for a period of two years from the issuance of the Zodiac unit.

In connection with the Zodiac financing, Zodiac may pay “finder fees” to certain brokers whose clients participate in the Zodiac financing equal to 7% of the aggregate proceeds received from such clients. As additional compensation, Zodiac may also issue Zodiac warrants to such brokers to purchase that number of Zodiac Shares equal to 7% of the number of Zodiac units purchased by such clients. Each broker warrant will be exercisable to purchase one Zodiac Share at a price of \$0.18 per share for a period of two years from the date of issuance.

On August 3, 2023, ShellCo and Zodiac entered into a promissory note. Pursuant to the promissory note, ShellCo agreed to loan up to \$100,000 to Zodiac in amounts requested by Zodiac from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum and will be repayable on November 3, 2023 or at such earlier date as Zodiac may determine. If Zodiac fails to repay any amount owing under the promissory note when due it will be converted into Zodiac Shares at a price of \$0.18 per share. Zodiac will use amounts advanced to it under the promissory note for working capital purposes. As of the date hereof, ShellCo has advanced an aggregate of US\$61,490 to Zodiac under the promissory note.

Directors and Officers of the Resulting Issuer

Upon completion of the Transaction, it is anticipated that the current directors and officers of ShellCo will resign and that the management team of the Resulting Issuer following the completion of the Transaction will be comprised of David Kol (President and Chief Executive Officer), Peter Granata (Interim Chief Financial Officer), Efdal Olcer (Vice President of Exploration) and Sherry Siu (Corporate Secretary).

It is anticipated that following the completion of the Transaction, the Resulting Issuer’s board of directors will consist of four directors: David Kol, Mark Kol, Graham Warren and Douglas Cater.

The relevant experience of the proposed officers and directors of the Resulting Issuer is set out below.

David Kol – Nevada, USA - Director, President and Chief Executive Officer

David Kol is a highly experienced international business and startup executive with over 20 years of experience in finance, marketing, business development, M&A, and executive management, primarily in the resource sector, media/entertainment, real estate and technology industries. Prior to Zodiac, David held senior management roles in Gem Rocks Mining Resources, Global Media Group Holdings, The Players Network, and Interactive Enterprises where he worked on projects for Sony, Wink Communications, Netcom, US West (now Qwest Communications), BskyB, and JskyB. David currently serves on the Board of Directors of BluEarth Carbon Development, and Global Wholesome Network 501(c)(3). David attended the University of California, Davis, where he studied managerial economics, and has an A.A. (Criminal Justice) from Diablo Valley College.

Peter Granata – Vancouver, British Columbia - Interim Chief Financial Officer

Peter Granata has more than 18 years of experience in finance and operations management within global organizations. He is a dynamic, results-oriented professional with executive positions in TSXV companies and, prior to these, served as an Audit Manager for PricewaterhouseCoopers. Peter has prepared financial statements, MD&As, news releases, mine permitting applications and project cash flows. With PricewaterhouseCoopers he performed audits for Canadian IFRS, US GAAP reconciliations, Special Purpose Financial Statements and has executed Group reporting under Canadian GAAP. His experience includes CFO for TSXV entities, capital raising, international corporate structures, client engagement, C-suite & directors engagement, M&A, financing, investor relations, related party transactions, and finance transformation. Peter has a B. Bus and is a Chartered Accountant.

Efdal Olcer – Ankara, Turkey - Vice President of Exploration

Efdal Olcer is a highly accomplished and qualified Exploration Geologist with 17 years of experience. Efdal has unique technical skills and experience gained in various mineral categories and diverse geological environments, including Greenstone, Archean, Proterozoic and Tethyan in Africa, the Middle East, and Turkey. He possesses a demonstrable track record in mineral exploration, specifically gold exploration in diverse deposit types including: epithermal, porphyry, orogenic, and within different terrains. He has also gained extensive greenfield and brownfield exploration and project development experience with the majority resulting in discoveries and several converting into profitable gold mines. Before joining Zodiac, Efdal served as Chief Geologist for Summa Gold and Exploration Manager of MNG Gold, a subsidiary of Avesoro Holdings. Efdal also held senior geological positions for KEFI Minerals, Asia Minor Mining Inc., and Stratex Exploration PLC. Efdal holds a B.Sc. Degree in Geological Engineering from Middle East Technical University. He is a member of the Society of Economic Geologists, Geological Society of London, Australian Institute of Geoscientists, Society of Geology Applied to Mineral Deposits, and Turkish Association of Economics Geologists.

Douglas Cater, P.Geo FGC, ICD.D – Niagara-on-the-Lake, Ontario - Director

Doug Cater is a professional geologist who has worked extensively across Canada and internationally for more than 35 years, with a particular focus on the Abitibi gold belt located in NE Ontario. He has held positions with both senior and intermediate gold producers, including Barrick Gold Corp., Placer Dome Inc. and Kinross Gold Corp. His African exploration experience was obtained while serving as an Exploration Consultant for Barrick Gold Corp. in Tanzania, where he was responsible for the project management of an exploration diamond drill program in the Lake Victoria greenstone belt. His most recent executive position was as Vice President, Exploration (Canada) with Kirkland Lake Gold Ltd. Mr. Cater is also a director of Sierra Metals Inc., Mayfair Gold Corp., Exploits Discovery Corp. and Gowest Gold Ltd. He is a graduate of the ICD-Rotman Directors Education Program.

Graham Warren, CPA, CMA – Toronto, Ontario – Director

Graham Warren is a senior financial executive with over 30 years of experience with emerging and established companies primarily in the mining and oil and gas sectors. Mr. Warren has considerable operations, corporate finance, board and public markets expertise. He has extensive global experience, including in Africa where he has worked in both Nigeria and Botswana for a combined 15 years. Mr. Warren has his B-Comm and is a Chartered Professional Accountant. He currently provides CFO and corporate secretarial services to three publicly traded companies and serves on the board of directors of one TSXV-listed company.

Mark Kol – California, USA - Director

Mark Kol is a co-founder of Zodiac and has 30+ years of experience in investor relations, venture capital, finance, investment banking, and real estate. Mark has leveraged his expertise across various industries, which include real estate, exploration/mining, technology, biotech, and media/entertainment. Mark is passionate about working with and raising capital for start-ups across the globe. Mark is currently Executive Vice President with CBRE. Before CBRE, Mark worked in investment banking in San Francisco, raising capital and preparing companies for Initial Public Offerings.

Sherry Siu – Vancouver, British Columbia - Corporate Secretary

Sherry has over 30 years of experience working as a paralegal for a boutique law firm in Vancouver, specializing in securities, commercial and corporate matters, and has been corporate secretary of various junior resource companies since 2011. She has worked on a variety of securities-related and corporate transactions, including M&A, spinouts and business combinations, reorganizations, and going public filings. Sherry is a paralegal certified with the BC Paralegal Association.

Other Insiders

Upon completion of the Transaction, it is anticipated that David Kol will be a significant shareholder of the Resulting Issuer. It is not expected that any other person will initially own more than 10% of the outstanding Resulting Issuer shares.

Financial Information of Zodiac

The table below sets out certain financial data for Zodiac in respect of the periods for which financial information which will be included in the Filing Statement:

	Year ended March 31, 2023 (unaudited)	Fifteen months ended March 31, 2022 (audited)
Revenues	Nil	Nil
Net loss	\$1,282,295	\$2,988,074
Total assets	\$240,261	\$304,437

	Year ended March 31, 2023 (unaudited)	Fifteen months ended March 31, 2022 (audited)
Total liabilities	\$1,245,863	\$782,454

TSXV Listing

ShellCo and Zodiac have submitted an application to the TSXV for the Resulting Issuer shares to be listed on the TSXV as a Tier 2 mining issuer upon completion of the Transaction.

Additional Information

For further information regarding ShellCo, Zodiac, the Resulting Issuer or the Transaction, please refer to the Filing Statement which will be made available under ShellCo's SEDAR profile on SEDAR at www.sedarplus.com.

For further information, please contact:

Robin McWatt
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+1 (514) 707-0481

Cautionary Note Regarding Forward-Looking Information

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