

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

1. Name and Address of Company

Sylla Gold Corp. (the “Company”)
802-1550 Bedford Highway
Bedford, Nova Scotia B4A 1E6

2. Date of Material Change

October 5, 2023

3. News Release

A news release disclosing the material change was released on October 5, 2023, through the facilities of Newsfile Corp.

4. Summary of Material Change

On October 5, 2023, the Company announced the closing of the second and final tranche of its previously announced non-brokered private placement through the issuance of 4,200,000 units (each, a “Unit”) at a price of \$0.05 per Unit for gross proceeds of \$210,000 (the “Offering”).

5. Full Description of Material Change

Pursuant to the Offering, the Company issued 4,200,000 Units at a price of \$0.05 per Unit at a price of \$0.05 per Unit for aggregate gross proceeds of up to \$210,000. Each Unit is comprised of one common share (each, a “Common Share”) in the capital of the Company and one-half of one Common Share purchase warrant (each whole warrant, a “Warrant”). Each Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.10 per Common Share for a period of eighteen (18) months from the date of issuance.

All securities issued pursuant to the Offering are subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable securities legislation. The net proceeds raised under the Offering will be used for the exploration and advancement of the Company’s Niaouleni Gold Project and for general corporate and working capital purposes. The closing of the Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals, including the approval of the TSX Venture Exchange.

The Offering constituted a “related party transaction” as defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* (“MI 61-101”), as certain insiders of the Company subscribed for an aggregate of 2,000,000 Units.

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:

In connection with the closing of the Offering, certain insiders of the Company subscribed for an aggregate of 2,000,000 Units.

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

The proceeds from the Offering will be used by the Company for the exploration and advancement of the Company’s Niaouleni Gold Project, general corporate and working capital purposes.

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

The closing of the Offering will provide the Company with funds to be used for the exploration and advancement of the Company's Niaouleni Gold Project, general corporate and working capital purposes.

(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:

Regan Isenor, an officer and director of the Company, subscribed for 1,000,000 Units of the Company.

Gregory Isenor, a director of the Company, subscribed for 1,000,000 Units 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:

Pursuant to the Offering, Regan Isenor subscribed for 1,000,000 Units of the Company. Prior to the completion of the Offering, Regan Isenor held 1,505,100 Common Shares, 100,000 common share purchase warrants to purchase Common Shares and 500,000 stock options to purchase Common Shares, representing approximately 3.42% of the issued and outstanding Common Shares on a non-diluted basis and approximately 4.71% on a partially diluted basis. Following completion of the Offering, Regan Isenor held 2,505,100 Common Shares, 600,000 common share purchase warrants to purchase Common Shares and 500,000 stock options to purchase Common Shares, representing approximately 5.19% of the issued and outstanding Common Shares on a non-diluted basis and approximately 7.30% on a partially diluted basis.

Pursuant to the Offering, Gregory Isenor subscribed for 1,000,000 Units of the Company. Prior to the completion of the Offering, Gregory Isenor held Gregory Isenor held 4,787,100 Common Shares, 1,330,000 common share purchase warrants to purchase Common Shares and 200,000 stock options to purchase Common Shares, representing approximately 10.87% of the issued and outstanding Common Shares on a non-diluted basis and approximately 13.86%. Following completion of the Offering, Gregory Isenor held 5,787,100 Common Shares, 1,830,000 common share purchase warrants to purchase Common Shares and 200,000 stock options to purchase Common Shares, representing approximately 11.99% of the issued and outstanding Common Shares on a non-diluted basis and approximately 15.55%.

(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 written resolution of the board of directors was executed by all of the directors of the Company, with Messrs. Regan Isenor and Gregory Isenor's signatures being necessary to ensure compliance with Section 117(1) of the *Canada Business Corporations Act* (the "Act"), and not a vote in favour of the resolution in accordance with Section 120(5) of the Act. No special committee was established in connection with the Offering, and no materially contrary view or abstention was expressed or made by any of the directors who executed the resolution.

- (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:

Other than subscription agreements to purchase Units pursuant to the Offering, 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 Offering constituted a "related party transaction" as defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("MI 61-101"), as insiders of the Company subscribed for an aggregate of 2,000,000 Units. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(1)(b) of MI 61-101, as the Company is not listed on a specified market and the fair market value of the Units being issued to insiders in connection with the Offering does not exceed \$2,500,000, 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.

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 Regan Isenor, Chief Executive Officer of the Company at (902) 233-4381.

9. **Date of Report**

This report is dated at Bedford, Nova Scotia, this 13th day of October, 2023.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this material change report.

This material change report contains certain “forward-looking information” within the meaning of applicable securities laws. Forward looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “would”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company’s Management’s Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.