

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

Item 1. Name and Address of Company

Canada Carbon Inc. (the “Company”)
The Canadian Venture Building
82 Richmond Street East
Toronto, ON M5C 1P1

Item 2. Date of Material Change

December 16, 2024

Item 3. News Release

A press release was disseminated on December 17, 2024 via Globe Newswire.

Item 4. Summary of Material Change

On December 17, 2024, the Company announced the closing of a non-brokered private placement of: (i) 15,000,000 flow-through units (each, an “**FT Unit**”) at a price of \$0.02 per FT Unit for aggregate gross proceeds of \$300,000; and (ii) 12,500,000 flow-through shares in the capital of the Company, as defined in subsection 66(15) of the *Income Tax Act* (Canada) (each, a “**FT Share**”) at a price of \$0.02 per FT Share for aggregate gross proceeds of \$250,000. Each FT Unit is comprised of one (1) FT Share and one (1) common share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one (1) common share in the capital of the Company at a price of \$0.07 per Common Share for a period of 60 months from the date of issuance.

Item 5. Full Description of Material Changes

A full description of the material change is contained in the press release, a copy of which is attached hereto as Schedule “A”.

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

Further information regarding the matters described in this report may be obtained from Ellerton Castor, Chief Executive Officer of the Company, who is knowledgeable about the details of the material change and may be contacted at (905)-407-1212.

Item 9. Date of Report

December 20, 2024

SCHEDULE "A"

See attached.



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CANADA CARBON ANNOUNCES CLOSING OF PRIVATE PLACEMENT OF FLOW-THROUGH UNITS AND FLOW-THROUGH SHARES

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December 16, 2024, Toronto, ON, Canada – Canada Carbon Inc. (the "**Company**") (TSX-V : **CCB**) is pleased to announce the closing of a non-brokered private placement of: (i) 15,000,000 flow-through units (each, a "**FT Unit**") at a price of \$0.02 per FT Unit for aggregate gross proceeds of \$300,000; and (ii) 12,500,000 flow-through shares in the capital of the Company (each, a "**FT Share**") at a price of \$0.02 per FT Share for aggregate gross proceeds of \$250,000 (the "**Offering**"). Each FT Unit is comprised of one (1) FT Share and one (1) common share purchase warrant (each, a "**Warrant**"). Each whole Warrant shall entitle the holder thereof to acquire one (1) common share in the capital of the Company at a price of \$0.07 per share for a period of 60 months from the date of issuance. The FT Shares will qualify as "flow-through shares" within the meaning of the *Income Tax Act* (Canada).

All securities issued pursuant to the Offering will be 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 proceeds from the Offering will be used by the Company for eligible exploration expenditures.

In connection with the Offering, the Company paid finders' fees to certain finders, consisting of: (i) a cash fee equal to \$44,000; and (ii) 2,200,000 common share purchase warrants (each, a "**Finder's Warrant**"). Each Finder's Warrant shall entitle the holder to acquire one common share at a price of \$0.07 per share for a period of 60 months from the date of issuance.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

CANADA CARBON INC.

"Ellerton Castor"

Chief Executive Officer and Director

Contact Information

E-mail inquiries: info@canadacarbon.com

P: (905) 407-1212

FORWARD LOOKING STATEMENTS

This press release contains statements that constitute “forward-looking information” (“forward-looking information”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking information and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses 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 information. Forward-looking statements in this news release include statements regarding the Offering and use of proceeds from the Offering. In disclosing the forward-looking information contained in this press release, the Company has made certain assumptions. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, it can give no assurance that the expectations of any forward-looking information will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Such factors include, but are not limited to: compliance with extensive government regulations; domestic and foreign laws and regulations adversely affecting the Company’s business and results of operations; and general business, economic, competitive, political and social uncertainties. Accordingly, readers should not place undue reliance on the forward-looking information contained in this press release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking information to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking information or otherwise.

Neither 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 release.

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