

FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1. NAME AND ADDRESS OF COMPANY

Totec Resources Ltd. (the “**Company**” or “**Totec**”)
1575 Kamloops Street
Vancouver, BC V5K 3W1

ITEM 2. DATE OF MATERIAL CHANGE

January 19, 2026

ITEM 3. NEWS RELEASE

Issued on January 19, 2026 and distributed through the facilities of ACCESS Newswire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company completed its “Qualifying Transaction” (as such term is defined under TSX Venture Exchange (“**Exchange**”) Policy 2.4 – *Capital Pool Companies*) with Usha Resources Ltd. (“**Usha**”), 1540359 B.C. Ltd. (“**Subco**”) and certain shareholders of Subco (the “**Investors**”), pursuant to which Usha and the Investors sold their respective interests in Subco and, indirectly, the 489 mineral claims constituting the White Willow Property (the “**Property**”), which covers approximately 10,220 hectares in the Thunder Bay Mining Division, approximately 170 kilometres west of Thunder Bay, to Totec (the “**Transaction**”).

ITEM 5.1 FULL DESCRIPTION OF MATERIAL CHANGE

The Company completed its “Qualifying Transaction” with Usha, Subco and the Investors, pursuant to which Usha and the Investors sold their respective interests in Subco and, indirectly, the Property, to Totec.

The Transaction was completed pursuant to a share purchase agreement dated October 22, 2025, as amended December 10, 2025, among Totec, Usha, Subco and the Investors (the “**Definitive Agreement**”). The purchase price paid by Totec for the Transaction was an aggregate of 35,500,000 Common Shares (defined herein) issued to the shareholders of Subco (5,500,000 of which were issued to Usha and 30,000,000 of which were issued to the Investors) and \$50,000 in cash paid to Usha. The name of the resulting issuer (the “**Resulting Issuer**”) is “Totec Resources Ltd.” No finder’s fees were paid in connection with the Transaction.

The Property is now indirectly owned by the Company through Subco and is subject to the following net smelter return royalties (“**NSRs**”): (i) a 1.5% NSR in favour of 2758145 Ontario Ltd., two-thirds of which can be repurchased for \$1,000,000, and (ii) a 1.5% NSR in favour of Grid Metals Corp., two-thirds of which can be repurchased for \$1,250,000.

Immediately prior to the closing of the Qualifying Transaction, the Company consolidated its issued and outstanding common shares on a two (2) to one (1) basis (each post-consolidation common share, a “**Common Share**”). The new ISIN and CUSIP of the Common Shares following the consolidation are CA89157M2040 and 89157M204, respectively.

The Resulting Issuer is classified as a Tier 2 Mining Issuer pursuant to Exchange policies. The Common Shares commenced trading on the Exchange under the symbol “TOTC” at the opening of the markets on January 22, 2026.

Following completion of the Qualifying Transaction, the officers and directors of the Resulting Issuer are as follows: (i) Deepak Varshney (CEO, Corporate Secretary and director); (ii) Khalid Naeem (CFO); (iii) James Walker (director); (iv) Zachary Kotowych (director); and (v) Rishi Kwatra (director).

In connection with the Transaction, on January 19, 2026, Subco completed a private placement (the “**Concurrent Financing**”), through the issuance of 30,000,000 units of Subco (each, a “**Unit**”) to the Investors at a price of \$0.15 per Unit for gross proceeds of \$4,500,000. Each Unit was comprised of one (1) common share of Subco (a “**Subco Share**”) and one (1) common share purchase warrant of Subco (a “**Subco Warrant**”) entitling the holder thereof to acquire one (1) additional Subco Share at an exercise price of \$0.25 for a period of two (2) years from the date of issuance. Subco paid the following cash finder’s fees and issued the following non-transferable finder’s warrants (the “**Finder’s Warrants**”) to eligible finders in connection with the Concurrent Financing: (i) \$143,423 cash and 956,153 Finder’s Warrants to Research Capital Corporation; (ii) \$999 cash and 6,660 Finder’s Warrants to Ventum Financial Corp.; and (iii) \$1,700 cash and 11,330 Finder’s Warrants to Haywood Securities Inc. Each Finder’s Warrant is exercisable into one (1) Subco Share at \$0.25 for a period of three (3) years from the date of issuance.

As a result of the Transaction, (i) the Investors exchanged each Subco Share held for one (1) Common Share (ii) each Subco Warrant became automatically exercisable into one (1) Common Share at an exercise price of \$0.25 for a period of two (2) years from the date of issuance, and (iii) each Finder’s Warrant became automatically exercisable

into one (1) Common Share at an exercise price of \$0.25 for a period of three (3) years from the date of issuance.

Deepak Varshney, CEO and a director of Totec, currently serves as the CEO and as a director of Usha and beneficially owns a total of 2,169,500 common shares of Usha, representing 2.4% of the issued and outstanding common shares of Usha. Also, Khalid Naeem, CFO of Totec, currently serves as CFO of Usha and holds no common shares of Usha. In this regard: (i) the Transaction involved “Non-Arm's Length Parties” (as such term is defined in the rules and policies of the Exchange); (ii) the Transaction was not a “related party transaction” (as such term is defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*) or subject to Exchange Policy 5.9 *Protection of Minority Security Holders in Special Transactions* as neither Mr. Varshney nor Mr. Naeem, nor their Associates nor Affiliates, are Control Persons (as such terms are defined in the Exchange's policies) of both Totec and in relation to Subco or the Property; (iii) the Transaction was not considered a “Non-Arm's Length Qualifying Transaction” for Totec as neither Mr. Varshney nor Mr. Naeem, nor their Associates nor Affiliates, are Control Persons in both Totec and in relation to Subco or the Property; and (iv) the Transaction was not subject to disinterested shareholder approval of Usha or Totec.

Full details of the Qualifying Transaction and related matters are set out in the filing statement of the Company dated January 12, 2026, which can be found under the Company's SEDAR+ profile at www.sedarplus.ca.

ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTION

The disclosure required for a restructuring transaction under this Item 5.2 is provided in the Company's filing statement dated January 12, 2026 (the “**Filing Statement**”), which was prepared in connection with the Transaction. The Filing Statement is incorporated by reference herein and is available under the Company's profile on SEDAR+ at www.sedarplus.ca.

ITEM 6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

There are no significant facts required to be disclosed herein which have been omitted.

ITEM 8. EXECUTIVE OFFICER

Deepak Varshney
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ITEM 9. DATE OF REPORT

January 23, 2026