

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Spanish Mountain Gold Ltd. (“**Spanish Mountain**” or the “**Company**”)
910 - 1111 Melville Street
Vancouver, British Columbia, V6E 3V6

Item 2. Date of Material Change

August 27, 2025

Item 3. News Release

A news release announcing the material change referred to in this Material Change Report was disseminated by the Company on August 27, 2025 and filed under the Company’s profile on www.sedarplus.ca on the same date.

Item 4. Summary of Material Change

On August 27, 2025, the Company closed its previously announced brokered “best efforts” private placement (the “**Offering**”) for aggregate gross proceeds of \$7,199,968, which includes proceeds from the exercise of the agent’s over-allotment option.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

On August 27, 2025, the Company closed the Offering for gross proceeds of \$7,199,968, which includes proceeds from the exercise of the agent’s over-allotment option.

Pursuant to the Offering, the Company sold (i) 20,690,087 units of the Company (each, a “**Unit**”) at a price of C\$0.145 per Unit (the “**Unit Price**”), (ii) 7,121,850 flow-through share units of the Company (each, a “**FT Unit**”) at a price of \$0.165 per FT Unit, and (iii) 15,124,000 flow-through share units of the Company sold to charitable purchasers (each, a “**Charity FT Unit**”, and together with the FT Units and Units, the “**Offered Securities**”) at a price of \$0.20 per Charity FT Unit.

Red Cloud Securities Inc. (“**Red Cloud**”) acted as sole agent and bookrunner in connection with the Offering.

Each Unit consists of one (1) common share in the capital of the Company (each, a “**Common Share**”) and one (1) Common Share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder thereof to acquire one (1) additional Common Share (each, a “**Warrant Share**”) at a price of \$0.22 per Warrant Share at any time on or before August 27, 2028. Each FT Unit consists of one (1) Common Share to be issued as a “flow-through share” within the meaning of subsection 66(15) of the Income Tax Act (Canada) (each, a “**FT Share**”) and one-half of one Common Share purchase warrant (each whole warrant, a “**FT Unit Warrant**”). Each FT Unit Warrant entitles the holder thereof to acquire one

(1) additional Common Share to be issued on a non-flow-through basis (a “**FT Unit Warrant Share**”) at a price of \$0.22 per FT Unit Warrant Share at any time on or before August 27, 2028. Each Charity FT Unit consists of one FT Share and one Warrant.

In accordance with National Instrument 45-106 *Prospectus Exemptions* (“**NI 45-106**”), the Units and Charity FT Units (collectively, the “**LIFE Securities**”) were issued to Canadian purchasers pursuant to the listed issuer financing exemption under Part 5A of NI 45-106, as amended by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “**Listed Issuer Financing Exemption**”). The securities of the Company issuable from the sale of such LIFE Securities are immediately freely tradeable under applicable Canadian securities legislation for Canadian purchasers.

The FT Units were sold by way of the “accredited investor” and “minimum amount investment” exemptions under NI 45-106 to Canadian purchasers. The securities of the Company issuable from the sale of such FT Units are subject to a restriction period of four (4) months following the issue date ending on December 28, 2025, in accordance with applicable Canadian securities legislation.

The Company intends to use the net proceeds from the Offering for exploration and development work at the Company’s Spanish Mountain Gold Project in the Cariboo Gold Corridor in British Columbia as well as for working capital and general corporate purposes. Gross proceeds from the sale of FT Shares will be used to incur “Canadian exploration expenses” as defined in subsection 66.1(6) of the *Income Tax Act* (Canada) and “flow-through mining expenditures” as defined in subsection 127(9) of the *Income Tax Act* (Canada) (or would so qualify if the references to “before 2026” in paragraph (a) of the definition of “flow-through mining expenditure” in subsection 127(9) of the Tax Act were read as “before 2027” and the references in paragraphs (c) and (d) of that definition to “before April 2025” were read as “before April 2026”). Such gross proceeds will be renounced to the purchasers of the FT Units and Charity FT Units with an effective date not later than December 31, 2025, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of the FT Shares.

As consideration for their services under the Offering, Red Cloud received aggregate cash fees of \$338,200.51, representing 6% of the gross proceeds raised through the Offering, with a reduced commission of 2.5% for those Offered Securities sold to certain purchasers designated by the Company (the “**President’s List**”), advisory fees totalling \$51,797.57 and 1,964,910 non-transferable common share purchase warrants (the “**Broker Warrants**”), representing 6% of the Offered Securities sold under the Offering, with a reduced commission of 3% for those Offered Securities sold to purchasers under the President’s List. Each Broker Warrant is exercisable into one Common Share at the Unit Price at any time on or before August 27, 2028. The Broker Warrants are subject to a hold period in accordance with applicable Canadian securities law, expiring four months and one day following the issue date, being December 28, 2025.

Insiders of the Company participated in the Offering through the purchase of 5,112,200 Units and 706,100 FT Units. The issuance of Offered Securities to insiders is considered a “related party transaction” within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is relying on exemptions from the formal valuation requirements of MI 61-101 pursuant to section 5.5(a) and the minority shareholder approval requirements of MI 61-101 pursuant to section 5.7(1)(a) in respect of such insider participation as the fair market

value of the transaction, insofar as it involves interested parties, does not exceed 25% of the Company's market capitalization.

The securities referred to in this news release 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, or for the account or benefit of, U.S. persons absent registration under the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the Company and management, as well as financial statements. “United States” and “U.S. person” have the respective meanings assigned in Regulation S under the U.S Securities Act.

Related Party Disclosure

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:

See item 5 above.

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

See item 5 above.

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

See item 5 above.

(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:

Prior to the completion of the Offerings, Peter Mah, Chief Executive Officer (“**CEO**”) of the Company, held 486,019 common shares of the Company. Pursuant to the Offerings, Peter Mah acquired 724,200 Units. After completion of the Offerings, the number of common shares beneficially owned or controlled by Peter Mah is 1,210,219 common shares or approximately 0.25% of the outstanding common shares of the Company.

Prior to the completion of the Offerings, Mark Ruus, Chief Financial Officer (“**CFO**”) of the Company, held 375,952 common shares of the Company. Pursuant to the Offerings, Mark Ruus acquired 250,000 Units and 100,000 FT Units. After completion of the Offerings, the number of common shares beneficially owned or controlled by Mark Ruus is 725,952 common shares or approximately 0.15% of the outstanding common shares of the Company.

Prior to the completion of the Offerings, Richard Oraziotti, a director of the Company, held 119,048 common shares of the Company. Pursuant to the Offerings, Richard Oraziotti acquired 606,100 FT Units. After completion of the

Offerings, the number of common shares beneficially owned or controlled by Richard Oraziotti is 725,148 common shares or approximately 0.15% of the outstanding common shares of the Company.

Prior to the completion of the Offerings, Lembit Janes, a director of the Company, held 75,478,453 common shares of the Company. Pursuant to the Offerings, Lembit Janes acquired 4,138,000 Units. After completion of the Offerings, the number of common shares beneficially owned or controlled by Lembit Janes is 79,616,453 common shares or approximately 16.24% of the outstanding common shares 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:

See item (d)(1) above.

- (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:**

Resolution passed by the board of directors of the Company on August 6, 2025. No special committee was established in connection with the transaction.

- (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 senior 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 entered into with Peter Mah, Mark Ruus, Gary Floyd, Richard Oraziotti and Lembit Janes, the Company did not enter into any agreement with

an interested party or a joint actor with an interested party in connection with the Offerings. 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 Offerings.

(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 participation of each of Peter Mah, Mark Ruus, Gary Floyd, Richard Oraziotti and Lembit Janes in the Offerings constitutes a related party transaction under MI 61- 101. The Company is relying on the exemptions from the valuation requirement and the minority approval requirement set out in subsections 5.5(a) *Fair Market Value Not More than 25% of Market Capitalization* and 5.7(1)(a) *Fair Market Value not More than 25% of Market Capitalization*, of MI 61-101, respectively.

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 Offerings, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Offerings and complete the Offerings in an expeditious manner.

The Company will send a copy of this material change report to any security holder of the Company upon request and without charge.

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

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Peter Mah, CEO
(604) 601-3651
info@spanishmountaingold.com

Item 9. Date of Report

DATED at Vancouver, BC, this 8th day of September, 2025