

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Ascot Resources Ltd. (“**Ascot**” or the “**Company**”)
#1050 – 1095 West Pender Street
Vancouver, BC V6E 2M6

Item 2: Date of Material Change

June 27, 2023

Item 3: News Release

A news release announcing the material change referred to in this report was issued on June 27, 2023 through Globe Newswire and a copy was subsequently filed on SEDAR.

Item 4: Summary of Material Change

On June 27, 2023, the Company announced that it had closed a subordinated convertible credit facility for US\$14,000,000 (the “**Nebari Convertible Facility**”) with Nebari Gold Fund 1, LP (“**Nebari**”).

Proceeds from the Nebari Convertible Facility have been received in full and were used to repay principal and accrued interests and fees of Ascot’s existing subordinated convertible credit facility with Beedie Investments Ltd. (“**Beedie Capital**”).

Item 5: Full Description of Material Change

On June 27, 2023, the Company announced that it had closed the Nebari Convertible Facility.

Proceeds from the Nebari Convertible Facility have been received in full and were used to repay principal and accrued interests and fees of Ascot’s existing subordinated convertible credit facility with Beedie Capital. In late 2020 and as part of a larger project financing package, Ascot entered into a US\$25 million subordinated convertible credit facility with Beedie Capital of which the Company had drawn an initial advance of US\$10 million (the “**Beedie Convertible Facility**”) and canceled the undrawn facility of US\$15 million.

A summary of the key terms of the Nebari Convertible Facility are as follows:

- Principal of US\$14 million drawn in one tranche (the “**Advance**”), the proceeds of which were used to repay the Beedie Convertible Facility outstanding principal of US\$10 million, together with all accrued and unpaid interest and prepayment fees;
- The maturity date shall occur 48 months from the date of the Advance (the “**Closing Date**”);
- Interest rate of 5.0% plus the greater of (i) 3.0% and (ii) the secured overnight financing rate for a 3-month tenor per annum;

- 100% of interest costs capitalized to principal until the earlier of the Company declaring commercial production at the Premier Gold Project or December 31, 2024;
- All or a portion of the US\$14 million principal amount can be converted into common shares of the Company (the “**Common Shares**”) at the option of Nebari at a price of C\$0.72 (the “**Conversion Price**”) which is equal to a 20% premium to the 30-day volume-weighted average price (“**VWAP**”) of the Common Shares up to and including June 15, 2023;
- Subject to the terms and conditions of the Nebari Convertible Facility, the conversion of interest will be subject to Toronto Stock Exchange approval and such amount will be converted into Common Shares at a price equal to the 5-day VWAP of the Common Shares, subject to the maximum allowable discount, pursuant to the rules and policies of the Toronto Stock Exchange, measured on the close of trading on the trading day immediately prior to the date on which the interest becomes payable or accrued;
- If over 20 consecutive trading days the VWAP of the Common Shares exceeds 45% of the Conversion Price, Ascot may, subject to the terms and conditions of the Nebari Convertible Facility, convert up to 50% of the outstanding principal, as applicable, to Common Shares, subject to certain limitations and conditions;
- Subject to the terms and conditions of the Nebari Convertible Facility, Ascot may prepay the outstanding principal at any time;
- As part of this prepayment condition, Ascot issued 25,767,777 unvested common share purchase warrants to Nebari on the Closing Date (the “**Prepayment Warrants**”);
- Prepayment is subject to: (i) the conditions of the senior purchase and sale agreements dated January 30, 2023 among Ascot, IDM Mining Ltd., Ascot Power Ltd., and Sprott Resource Streaming and Royalty (B) Corp., (ii) 1.0% penalty on repayment of outstanding principal and interest if prepayment occurs 24 months after the Closing Date, and (iii) a make whole fee of 24 months interest if prepayment occurs prior to 24 months from the Closing Date;
- In certain prepayment or repayment events, a number of Prepayment Warrants will vest that is equal to the quotient of the principal being prepaid divided by the Advance, with each Prepayment Warrant entitling the holder to purchase one Common Share at an exercise price equal to the Conversion Price; and
- The Nebari Convertible Facility also contains customary representations, warranties and covenants for a transaction of this nature.

The foregoing description of the Nebari Convertible Facility does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the definitive agreements. Copies of the definitive agreements are available under Ascot’s SEDAR profile on www.sedar.com.

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

The name and business number of the executive officer of the Company who is knowledgeable of the material change and this report is:

Derek C. White, President and Chief Executive Officer
Telephone: (778) 725-1060

Item 9: Date of Report

June 29, 2023