

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Aurania Resources Ltd. (the “**Company**”)
36 Toronto Street, Suite 1050
Toronto, Ontario M5C 2C5

Item 2 Date of Material Change

October 21, 2021.

Item 3 News Release

News releases announcing the material changes were disseminated by the Company through the facilities of Newsfile on October 21, 2021 and subsequently filed on SEDAR.

Item 4 Summary of Material Change

On October 21, 2021, the Company completed its previously announced overnight marketed offering (the “**Offering**”) of 3,835,250 units of the Company (the “**Units**”), including the exercise in full of an over-allotment option (the “**Over-Allotment Option**”) granted to the Underwriters (as defined below), and its previously announced concurrent private placement (the “**Private Placement**”) of 1,256,037 Units, in each case at a price of \$1.80 per Unit (the “**Offering Price**”) for gross proceeds of approximately \$9,164,316.60.

The Company also announced that the TSX Venture Exchange (the “**TSXV**”) had conditionally accepted the Warrants (as defined below) for listing on the TSXV, effective on or about October 29, 2021.

See “*Cautionary Statement on Forward-Looking Information*” below.

Item 5.1 Full Description of Material Change

On October 21, 2021, the Company completed its previously announced Offering of Units, including the exercise of the Over-Allotment Option, on an overnight marketed basis. A total of 3,835,250 Units were sold at the Offering Price for gross proceeds of approximately C\$6.9 million pursuant to the Offering. The Company also completed its previously announced Private Placement, pursuant to which a total of 1,256,037 Units were sold at the Offering Price, for additional gross proceeds of approximately \$2.26 million.

Each Unit is comprised of one common share in the capital of the Company (each, a “**Common Share**”) and one Common Share purchase warrant (each, a “**Warrant**”). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$2.20 per Common Share at any time until October 21, 2026. The Offering was completed pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated October 5, 2021 between the Company

and Cantor Fitzgerald Canada Corporation, as lead underwriter and sole bookrunner, and a syndicate of underwriters including Canaccord Genuity Corp. and Echelon Wealth Partner Inc. (collectively, the “**Underwriters**”).

In connection with the Offering, the Company paid to the Underwriters a cash commission of \$414,207, being 6.0% of the gross proceeds of the Offering, including proceeds received from the exercise of the Over-Allotment Option, and issued to the Underwriters 230,115 broker warrants (the “**Broker Warrants**”) to purchase 6.0% of the number of Units, including the Units from the exercise of the Over-Allotment Option, sold in the Offering. Each Broker Warrant entitles the Underwriters to purchase one Unit at the Offering Price at any time on or before October 21, 2026.

In accordance with the terms and conditions of the Underwriting Agreement, pursuant to which the Offering was completed, the Company has also paid to the Underwriters a cash commission of approximately \$45,217, being 2% of the gross proceeds from the Private Placement. The Company has also paid to certain eligible finders a fee of approximately \$16,604, being 7% of the gross proceeds raised from subscriptions introduced to the Company by such finders.

Keith Barron, the Chief Executive Officer, director, promoter and a significant shareholder of the Company, participated in the Private Placement (subscribing through Bambazonke Holdings Inc., a personal holding company of Dr. Barron), for 222,222 Units. Richard Spencer, the President and a director of the Company, participated in the Private Placement for 8,000 Units and the Offering for 13,900 Units. Carolyn Muir, Vice-President of Investor Relations of the Company, participated in the Private Placement for 4,000 Units.

The participation of the aforementioned insiders of the Company in the Private Placement and the Offering constitutes 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 exempt from the “minority approval” and “formal valuation” requirements of MI 61-101 in respect of such insider participation because the “fair market value” of the Private Placement, insofar as it involves the participating insiders, does not exceed 25% of the Company’s “market capitalization” (as each such term is defined in MI 61-101).

The Private Placement remains subject to the final acceptance of the TSXV. The Common Shares and Warrants comprising the Units, and the Common Shares underlying the Warrants, issued in connection with the Private Placement, are subject to a statutory hold period of four months and a day from the date of issuance and, as applicable, hold periods under United States securities laws.

Anticipated uses of the proceeds of the Offering and Private Placement will be used for exploration expenditures at the Company’s Lost Cities – Cutucu Project in Ecuador and for working capital and general corporate purposes.

The Units issued pursuant to the Offering were offered by way of a short form prospectus in Canada in the provinces of Ontario, British Columbia and Alberta.

The Company also announced that the TSXV has conditionally accepted for listing the 5,091,287 Warrants underlying the Units issued pursuant to the Offering and the Private Placement. The Warrants are expected to be listed for trading on the TSX Venture Exchange under the symbol “ARU.WT.B” effective on or about October 29, 2021.

The Warrants are governed by the terms of a warrant indenture (the “**Warrant Indenture**”) dated October 21, 2021 between the Company and TSX Trust Company of Canada, as warrant agent, a copy of which will be available under the Company’s profile at www.sedar.com. For further details regarding the Warrants, please refer to the Warrant Indenture.

The Units and securities underlying them, have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from the registration requirements. This material change report shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, the Units in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

See “*Cautionary Statement on Forward-Looking Information*” below.

Item 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

No significant facts remain confidential in, and no information has been omitted from, this report.

Item 8 Executive Officer

Dr. Richard Spencer, President of the Company
(416) 367-3200

Item 9 Date of Report

October 26, 2021.

Cautionary Statement on Forward-Looking Information

This material change report may contain forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of Aurania. Forward-looking statements include estimates and statements that describe Aurania’s future plans, objectives or goals, including words to the effect that Aurania or its management expects

a stated condition or result to occur. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to Aurania, Aurania provides no assurance that actual results will meet management’s expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this material change report includes, but is not limited to, the use of the net proceeds from the Offering and the Private Placement, the receipt of all necessary approvals, including the final acceptance of the TSXV in respect of the Offering and the Private Placement and the listing of the Warrants (and the timing thereof), Aurania’s objectives, goals or future plans, statements, exploration results, potential mineralization, the corporation’s portfolio, treasury, management team and enhanced capital markets profile, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, regulatory, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, the effects of COVID-19 on the business of the Company including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restrictions on labour and international travel and supply chains, and those risks set out in Aurania’s public documents filed on SEDAR. Although Aurania believes that the assumptions and factors used in preparing the forward-looking information in this material change report are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this material change report, and no assurance can be given that such events will occur in the disclosed time frames or at all. Aurania disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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