

## FORM 51-102F3

### MATERIAL CHANGE REPORT

#### ***Item 1 — Name and Address of Company***

Spitfyre Capital Inc. (the “**Corporation**” or “**Spitfyre**”)  
Suite 1600, 1 First Canadian Place  
100 King Street West,  
Toronto, Ontario, M5X 1G5

#### ***Item 2 — Date of Material Change***

November 23, 2023

#### ***Item 3 — News Release***

The news release announcing the material change was disseminated through Cision Newswire services on November 23, 2023. The news release was also subsequently filed under the Corporation’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### ***Item 4 — Summary of Material Change***

On November 23, 2023, Spitfyre announced the closing of its upsized brokered private placement financing (the “**Private Placement**”) with NeoTerrex Corporation (“**NeoTerrex**”). The Private Placement was led by iA Capital Markets, a division of iA Private Wealth Inc. (the “**Lead Agent**”) and Canaccord Genuity Corp. (together with the Lead Agent, the “**Agents**”) for aggregate gross proceeds of \$3,516,600.

#### ***Item 5 — Full Description of Material Change***

##### ***5.1 — Full Description of Material Change***

On November 23, 2023, Spitfyre announced the closing of its Private Placement with NeoTerrex. The Private Placement was completed pursuant to an agency agreement dated November 23, 2023 between Spitfyre, NeoTerrex and the Agents. Aggregate gross proceeds for the Private Placement were \$3,516,600, with 600,000 subscription receipts of the Corporation (each, a “**Spitfyre Subscription Receipt**”) at \$0.25 per Spitfyre Subscription Receipt, 8,038,000 subscription receipts of NeoTerrex (each, a “**NeoTerrex Subscription Receipt**”) at \$0.25 per NeoTerrex Subscription Receipt and 4,523,688 flow-through subscription receipts of NeoTerrex (each, a “**FT Subscription Receipt**”) at \$0.30 per FT Subscription Receipt (together, the “**Subscription Receipts**”) being issued.

It is intended that the net proceeds from the Private Placement will be used for the exploration and development of NeoTerrex’s Mount Discovery project, claim renewal and maintenance cost, the identification and evaluation of future potential acquisitions of rare earth and lithium projects, the exploration and evaluation of NeoTerrex’s other rare earth and lithium projects and general working capital following completion of the qualifying transaction between Spitfyre and NeoTerrex (the “**Qualifying Transaction**”). Upon completion of the Qualifying Transaction, Spitfyre will be referred to as the “**Resulting Issuer**”.

Upon satisfaction or waiver of the escrow release conditions in the Subscription Receipt Agreement (as defined below) (the “**Escrow Release Conditions**”): (i) each NeoTerrex Subscription Receipt will be

converted and will entitle the holder thereof to receive, without payment of any additional consideration or further action on the part of the holder, one common share of NeoTerrex and one-half of one warrant of NeoTerrex, which will be automatically exchanged for one common share of the Resulting Issuer (each, a “**Resulting Issuer Share**”) and one-half of one warrant of the Resulting Issuer (each, a “**Resulting Issuer Warrant**”); (ii) each Spitfyre Subscription Receipt will be converted and will entitle the holder thereof to receive, without payment of any additional consideration or further action on the part of the holder, one common share of Spitfyre and one-half of one warrant of Spitfyre; and (iii) each FT Subscription Receipt will be converted and will entitle the holder thereof to receive, without payment of any additional consideration or further action on the part of the holder, one NeoTerrex flow-through share which will be subsequently automatically exchanged for one Resulting Issuer flow-through share. Each whole Resulting Issuer Warrant will entitle the holder thereof to acquire one Resulting Issuer Share at a price of \$0.40 until the date which is 24 months following the satisfaction of the Escrow Release Conditions, subject to the terms of the warrant indenture entered into between the Corporation, NeoTerrex and Computershare Trust Company of Canada (“**Computershare**”), as warrant agent, dated November 23, 2023.

The gross proceeds of the Private Placement net of the Agents’ expenses and 50% of the Agents’ commission (the “**Escrowed Funds**”), are being held in escrow pursuant to the terms of a subscription receipt agreement dated November 23, 2023 between Spitfyre, the Agents and Computershare, as registrar and transfer agent for the Subscription Receipts and as escrow agent for the Escrowed Funds (the “**Subscription Receipt Agreement**”). Upon satisfaction or waiver of the Escrow Release Conditions, the Escrowed Funds together with any interest earned thereon, will be released to the Resulting Issuer (and the Agents in respect of the remaining Agents’ commission) in accordance with the terms set out in the Subscription Receipt Agreement. If the Escrow Release Conditions are not satisfied or waived, the Subscription Receipts will be cancelled without any further action and the Escrowed Funds together with any interest earned thereon will be returned to subscribers on a pro rata basis with any shortage of funds being paid by NeoTerrex.

In connection with the Private Placement, NeoTerrex paid to the Agents a cash commission, equal to 7.5% of the gross proceeds raised pursuant to the Private Placement (reduced to 3.0% in respect of certain purchasers on the president’s list). In addition, Spitfyre will issue to the Agents, on satisfaction of the Escrow Release Conditions, 45,000 non-transferable compensation options of the Corporation and NeoTerrex will issue to the Agents, on satisfaction of the Escrow Release Conditions, 807,125 non-transferable NeoTerrex compensation options (collectively, the “**Compensation Options**”). Each Compensation Option will entitle the holder thereof to purchase one Resulting Issuer Share following completion of the Qualifying Transaction at an exercise price of: (i) \$0.25 in respect of Compensation Options issued pursuant to sales of NeoTerrex Subscription Receipts and Spitfyre Subscription Receipts, and (ii) \$0.30 in respect of Compensation Options issued pursuant to sales of FT Subscription Receipts, subject to adjustment, for a period of 24 months commencing upon satisfaction of the Escrow Release Conditions, respectively.

Closing of the Private Placement is subject to certain conditions, including but not limited to, the receipt of all necessary approvals including acceptance by the TSX Venture Exchange (the “**Exchange**”). The Spitfyre Subscription Receipts will be subject to a statutory hold period of four months and one day in accordance with applicable securities legislation.

## **5.2 — Disclosure for Restructuring Transactions**

Not applicable.

### **Item 6 — Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102 – Continuous Disclosure Obligations**

Not applicable.

### **Item 7 — Omitted Information**

No information has been omitted from this material change report.

### **Item 8 — Executive Officer**

Matthew McMillan  
Chief Executive Officer  
Telephone: (905) 484-7698  
Email: [matthew@spitfyrecapital.com](mailto:matthew@spitfyrecapital.com)

### **Item 9 — Date of Report**

November 27, 2023

*Notice on forward-looking statements:*

*Certain statements contained in this material change report constitute forward-looking information within the meaning of Canadian securities laws which may include, but are not limited to, statements with respect to the Private Placement, the expected use of proceeds, the expected timing of completion of the Qualifying Transaction, the completion of the Qualifying Transaction, the satisfaction or waiver of the Escrow Release Conditions, and the applicable approval of the Exchange. Such forward-looking information is often, but not always, identified by the use of words and phrases such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information.*

*These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance of each of Spitfyre and NeoTerrex may differ materially from those anticipated and indicated by these forward looking statements. Although each of Spitfyre and NeoTerrex believes that the expectations reflected in forward-looking information herein are reasonable, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended and they can give no assurances that the expectations of any forward-looking information herein will prove to be correct. Except as required by law, each of Spitfyre and NeoTerrex disclaims any intention and assume no obligation to update or revise any forward looking statements herein to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise.*