

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Euro Sun Mining Inc. (“Euro Sun” or the “Company”)
66 Wellington Street West, Suite 5300
TD Bank Tower Box 48
Toronto, Ontario M5K 1E6

Item 2 Date of Material Change

December 1, 2022.

Item 3 News Release

The press release attached as Schedule “A” was released on December 1, 2022 by a newswire company in Canada.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule “A”.

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule “A”.

Item 6 Reliance of subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Grant Sboros
Chief Executive Officer
info@eurosunmining.com
416 843-2099

Item 9 Date of Report

December 2, 2022.



**EURO SUN ANNOUNCES CLOSING OF FIRST TRANCHE OF PRIVATE
PLACEMENT, WAIVER AGREEMENT RELATED TO SECURED
LENDING FACILITIES
AND MANAGEMENT CHANGES**

*NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR
DISSEMINATION IN THE UNITED STATES*

*December 1, 2022
Toronto, Ontario*

NOT FOR RELEASE IN THE UNITED STATES OR TO U.S. NEWS WIRE SERVICES

Euro Sun Mining Inc. (TSX: ESM) ("Euro Sun" or the "Company") is pleased to announce that it has closed the first tranche (the "**First Tranche**") of its previously announced non-brokered private placement financing (the "**Offering**"). An aggregate of 41,790,000 common shares (the "**Common Shares**") were sold under the First Tranche at a price of C\$0.05 per Common Share for aggregate gross proceeds of approximately C\$2,089,500.

Euro Sun intends to use the proceeds of the Offering for general corporate purposes. All securities issued in connection with the Offering are subject to a statutory hold period of four-months and one day.

In addition, as previously announced, certain changes were made to the board of directors effective as at closing of the Offering. The board of directors of the Company currently consists of Danny Callow, David Danziger, Bruce Humphrey, Scott Moore, Paul Perrow, Neil Said and Grant Sboros.

The Offering and the closing of the First Tranche are subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange and the securities regulatory authorities. All securities issued and issuable in connection with the Offering are subject to a hold period of four months plus one day from the date of issuance. No finders' fees were paid in connection with the closing of the First Tranche.

Secured Lending Facilities

Euro Sun is further pleased to announce that it has entered into a waiver and consent agreement (the "**Waiver Agreement**") with its secured lender, Lind Global Fund II, LP ("**Lind**") on a conditional basis. Pursuant to the Waiver Agreement, Lind has agreed to waive, for a period of six months from the date of closing of the Offering, certain rights pertaining to the Convertible Security Funding Agreement dated February 18, 2022 and a Convertible Security Funding Agreement dated July 8, 2022, each between Euro Sun and Lind (collectively, the "**CSFAs**").

These rights include: (i) the right of Lind to terminate the CSFAs in respect of a change of control event, and (ii) a historical event of default in respect of overdue and unpaid liabilities of Euro Sun in the amount of more than \$250,000. Under the CSFAs, an event of default arises where there is a "Change of Control Event" which includes: (a) a change in the composition of the board of directors of the Company where more than 50% of the individuals that were directors at the date of the CSFAs cease to be continuing directors; and, (b) any of the individuals who are the Chief Executive Officer or Chief Financial Officer of the Company at the date of the CSFAs cease to hold such position. This waiver allows Euro Sun to have flexibility to implement changes in management. In addition, Euro Sun intends to take steps to make all indebtedness current or otherwise restructure its indebtedness to satisfy the terms and conditions of the CSFAs.

The Waiver Agreement is conditional on the directors undertaking to: (i) call and hold a meeting of shareholders on or before January 31, 2023 (the "**Meeting**"); (ii) present a resolution at the Meeting for the approval of Lind, or its affiliate(s), being entitled to receive shares of the Company beyond the share maximum imposed by the Toronto Stock Exchange in connection with the CSFAs; and, (iii) vote all shares of Euro Sun over which they have direction and control in favour of these matters at the Meeting. In addition, investors in the Offering have also agreed to vote all shares of Euro Sun over which they have direction and control in favour of these matters at the Meeting.

Further details will be provided in the information circular to be sent to shareholders of Euro Sun in respect of the Meeting which will be posted under the Corporation's profile on www.sedar.com.

Resignation of CEO

The Company also announces that, effective November 30, 2022, Scott Moore has resigned as Chief Executive Officer of the Company. Grant Sboros has been appointed Chief Executive Officer effective November 30, 2022. Grant Sboros has been appointed as a director and Scott Moore will continue as a director of the Corporation.

About Euro Sun Mining Inc.

Euro Sun is a Toronto Stock Exchange listed mining company focused on the exploration and development of its 100%-owned Rovina Valley gold and copper project located in west-central Romania, which hosts the second largest gold deposit in Europe.

Further information:

For further information about Euro Sun Mining, or the contents of this press release, please contact Investor Relations at info@eurosunmining.com.

Caution regarding forward-looking information:

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or 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" or the negative connotation thereof. In particular, this news release contains forward-looking information pertaining to the following: the ability of the directors to call and hold the Meeting, the

receipt of shareholder approval for the items of business at the Meeting, the anticipated date of the Meeting, the ability to obtain the necessary regulatory authority and approvals in connection with the Waiver Agreement and the Meeting; and satisfaction of the conditions of Lind for the waiver of certain and possible events of default under the CFSA's and the ability of the Corporation to not have events of default under the CFA's when the waiver expires.

In making the forward-looking information in this release, Euro Sun has applied certain factors and assumptions that are based on Euro Sun's current beliefs as well as assumptions made by and information currently available to Euro Sun. Although Euro Sun considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking information in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking information. Such factors include, among others: the inability to obtain the necessary regulatory approval of the Toronto Stock Exchange in connection with the Offering, the Meeting and Waiver Agreement; the occurrence of a material adverse change, disaster, change of law or other failure to satisfy the conditions to the Waiver Agreement; the inability of the Company to apply the use of proceeds from the Offering as anticipated; the inability to satisfy the conditions to the waiver by Lind of certain and possible events of default under the CFSA's; the existence of an event of default under the CFSA's after expiry of the waiver and the inability to obtain a further waiver from Lind in respect of such events of default under the CSFAs; the ability of the Company to achieve its corporate objectives or otherwise advance the progress of Euro Sun; risks related to management changes including the recruitment and retention of individuals with the necessary skills and experience; risks related to the international operations; the timing and content of work programs; results of exploration activities of mineral properties; the interpretation of drilling results and other geological data; the Company's inability to obtain any necessary permits, consents or authorizations required for its activities; an inability to predict and counteract 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, restriction on labour and international travel and supply chains; general market and industry conditions; and those risks set out in the Company's public documents filed on SEDAR.

Readers are cautioned not to place undue reliance on forward-looking information. Euro Sun does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by law.

The TSX does not accept responsibility for the adequacy or accuracy of this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities 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 (as defined in Regulation S under the 1933 Act) absent such registration or an applicable exemption from such registration requirements.