

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Barksdale Resources Corp. (the “Company” or “Barksdale”)
67 East 5th Avenue
Vancouver, British Columbia
Canada V5T 1G7

Item 2: Date of Material Change

July 26, 2024

Item 3: News Release

The Company disseminated a news release announcing the material change described herein through the news dissemination services of Newsfile Corp. on July 26, 2024, and a copy was subsequently filed on SEDAR+.

Item 4: Summary of Material Change

The Company announced the closing of the second and final tranche (“**Final Tranche**”) of its previously announced non-brokered private placement offering (“**Offering**”) of units of the Company (“**Units**”) with the issuance of 14,674,683 Units for gross proceeds of \$2,201,202.45. The first tranche (“**First Tranche**”) of the non-brokered private placement offering comprising 27,325,317 Units for gross proceeds of \$4,098,798 closed on June 27, 2024 (see news release dated June 27, 2024). The Units sold in respect of the First Tranche and Final Tranche, together, total 42,000,000 for gross proceeds of \$6,300,000.

Item 5: Full Description of Material Change

5.1: Full Description of Material Change

The Company announced the closing of the Final Tranche of its previously announced Offering of Units with the issuance of 14,674,683 Units for gross proceeds of \$2,201,202.45. The First Tranche of the Offering comprising 27,325,317 Units for gross proceeds of \$4,098,798 closed on June 27, 2024 (see news release dated June 27, 2024). The Units sold in respect of the First Tranche and Final Tranche, together, total 42,000,000 for gross proceeds of \$6,300,000.

Each Unit consists of one common share of Barksdale (a “**Common Share**”) and one Common Share purchase warrant (a “**Warrant**”), whereby each Warrant entitles the holder to acquire one Common Share at a price of \$0.23 for a period of three years from the date of issuance.

Proceeds of the Offering will be used to finance exploration activities at the Company’s properties in Arizona as well as for working capital and general corporate purposes. Pursuant to the closing of the Offering, the Company paid an aggregate of (i) \$199,516.60 in cash finder’s fees and issued an aggregate of 1,330,111 finder’s warrants to eligible finders in connection with the First Tranche, and (ii) \$64,396.49 in cash finder’s fees and issued an aggregate of 429,309 finder’s warrants to eligible finders in connection with the Final Tranche. The finder’s fees in respect of the Offering, therefore, total \$263,913.09 and 1,759,420 finder’s warrants. Each finder’s warrant entitles the holder to acquire one Common Share at a price of \$0.23 until June 27, 2027 (First Tranche) or July 27, 2027 (Final Tranche).

All securities issued pursuant to the (i) First Tranche are subject to a statutory hold period expiring October 28, 2027, and (ii) Final Tranche are subject to a statutory hold period expiring November 27, 2027; each expiration date being the date that is four months and one day from the date of issuance. The Offering remains subject to TSX Venture Exchange final acceptance.

The securities described herein 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 except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities laws or pursuant to available exemptions therefrom. Neither this material change report nor the news release constitutes an offer to sell or a solicitation of an offer to buy of any securities in the United States.

Related Party Participation in the Offering

Certain insiders of the Company participated in the Offering. For details of insider participation in the First Tranche, please see news release dated June 27, 2024. In connection with the Final Tranche, Crescat Portfolio Management LLC, an insider of the Company as it has ownership of, or control or direction over, directly or indirectly, securities of Barksdale carrying more than 10% of the voting rights attached to all the Company's outstanding voting securities, purchased 6,666,667 Units. In addition, Rick Trotman, Chief Executive Officer and Director of Barksdale, purchased 118,317 Units. The participation by insiders in the Offering constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the securities purchased by insiders, nor the consideration for the securities paid by such insiders, will exceed 25% of the Company’s market capitalization. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of either the First Tranche or the Final Tranche, which the Company deems reasonable in the circumstances in order to complete the Offering in an expeditious manner. The Offering was unanimously approved by the Company’s board of directors.

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

Not applicable.

Item 8: Executive Officer

For further information, please contact Rick Trotman, President, Chief Executive Officer and Director of the Company, at 778-558-7145 or via email to info@barksdaleresources.com.

Item 9: Date of Report

July 31, 2024