

FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Lavras Gold Corp. (the “**Company**”)
82 Richmond St. East, Suite 201
Toronto, ON M5C 1P1

2. **Date of Material Change**

September 28, 2023

3. **News Release**

A press release disclosing the material change was released on September 29, 2023 through the facilities of Newsfile Corp.

4. **Summary of Material Change**

On September 29, 2023, the Company announced the closing of its previously announced non-brokered private placement through the issuance of an aggregate of 10,146,647 common shares (“**Common Shares**”) of the Company at a price of \$1.35 per Common Share for gross proceeds of \$13,697,973 (the “**Offering**”).

5. **Full Description of Material Change**

The Company issued an aggregate of 10,146,647 Common Shares of the Company at a price of \$1.35 per Common Share for gross proceeds of \$13,697,973 under the Offering.

The net proceeds of the Offering are expected to be used primarily for exploration expenses on the Company’s LDS Project and general working capital purposes.

As part of the Offering, the Company issued 2,556,443 Common Shares to Kinross Gold Corporation (“**Kinross**”). The Common Shares purchased by Kinross represent approximately 5.0% of the issued and outstanding Common Shares of the Company on completion of the Offering. In connection with this investment, the Company and Kinross entered into an investor rights agreement, pursuant to which Kinross, provided that it owns at least a 4.0% interest in the Company (calculated according to the investor rights agreement), has the right to participate in equity financings by the Company in order to maintain its *pro rata* ownership in the Company at the time of any such financing or acquire up to a 5.0% ownership interest in the Company (after giving effect to the financing).

In connection with the Offering, the Company paid certain eligible persons (the “**Finders**”) a cash commission of \$243,503, equal to 5% of the gross proceeds of the Offering delivered by the Finders.

All securities issued pursuant to the Offering will be subject to a hold period of four months plus a day from the date of issuance and the resale rules of applicable securities legislation. The closing of the Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals, including final approval of the TSX Venture Exchange.

The securities offered 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 U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This material change report does not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor in any other jurisdiction.

The following supplementary information is provided in accordance with Section 5.2 of MI 61-101.

(a) a description of the transaction and its material terms:

In connection with the Offering, an aggregate of 1,786,329 Common Shares were acquired by insiders of the Company.

(b) the purpose and business reasons for the transaction:

The net proceeds of the Offering are expected to be used primarily for exploration expenses on the Company’s LDS Project and general working capital purposes.

(c) the anticipated effect of the transaction on the issuer’s business and affairs:

The net proceeds of the Offering are expected to be used primarily for exploration expenses on the Company’s LDS Project and general working capital purposes.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

In connection with the Offering, the following securities were issued to insiders of the Company:

Name of Insider	Position	Number of Common Shares Purchased	Aggregate Purchase Price
2176423 Ontario Ltd. ⁽¹⁾	Insider	1,259,300	\$1,700,055
David Birkett	Director	50,000	\$67,500
Hemdatt Sawh	Officer	18,510	\$24,988.5
Michael A Mutchler	Director	18,519	\$25,000.7
Michael C. Durose ⁽²⁾	Director and Officer	74,074	\$100,000
Rosedale Transport Limited ⁽³⁾	Director	336,296	\$453,999.6

Rostislav Raykov	Director	29,630	\$40,000.5
TOTAL:		1,384,000	\$173,000

Notes:

- 1) 2176423 Ontario Ltd. acquired a total of 1,259,300 Common Shares in the Financing. 2176423 Ontario Ltd. is a corporation beneficially owned and controlled by Eric Sprott, an insider of the Company.
- 2) Michael C. Durose, a director and officer of the Company, acquired a total of 74,074 Common Shares, directly and indirectly.
- 3) Rosedale Transport Limited subscribed for 336,296 Common Shares in the Financing. Rosedale Transport Limited is a corporation beneficially owned and controlled by Mr. Rowland Uloth, a director of the Company.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

The effect of the acquisition of Common Shares by the insiders of the Company pursuant to the Offering on the percentage of securities of the Company beneficially owned and controlled by each of the insiders identified in item # 5(d)(i) is as follows:

Name of Insider	# of Listed Shares or other securities purchased	# of Listed Shares held on closing (provide both Undiluted and Partially Diluted #)	% of outstanding Listed Shares held on closing (Undiluted and Partially Diluted)
Eric Sprott ⁽¹⁾	1,259,300	8,089,300 undiluted 8,089,300 partially diluted	15.77% undiluted 15.77% partially diluted
David Birkett	50,000	800,814 undiluted 1,000,814 partially diluted	1.56% undiluted 1.94% partially diluted
Hemdat Sawh	18,510	298,367 undiluted 748,367 partially diluted	0.58% undiluted 1.44% partially diluted
Michael A Mutchler	18,519	897,305 undiluted 1,097,305 partially diluted	1.74% undiluted 2.13% partially diluted
Michael C. Durose ⁽²⁾	74,074	235,740 undiluted 1,135,740 partially diluted	0.45% undiluted 2.17% partially diluted
Rowland Uloth ⁽³⁾	336,296	1,776,032 undiluted 1,976,032 partially diluted	3.46% undiluted 3.83% partially diluted

Name of Insider	# of Listed Shares or other securities purchased	# of Listed Shares held on closing (provide both Undiluted and Partially Diluted #)	% of outstanding Listed Shares held on closing (Undiluted and Partially Diluted)
Rostislav Raykov	29,630	1,050,730 undiluted 1,250,730 partially diluted	2.04% undiluted 2.42% partially diluted

Notes:

- (1) Mr. Eric Sprott, an insider of the Company, subscribed indirectly through 2176423 Ontario Ltd., beneficially owned and controlled by Mr. Sprott.
- (2) Michael C. Durose, a director and officer of the Company, acquired a total of 74,074 Common Shares, directly and indirectly.
- (3) Mr. Rowland Uloth, a director of the Company, subscribed indirectly through Rosedale Transport Limited, beneficially owned and controlled by Mr. Uloth.

- (e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:**

A resolution of the board of directors was passed on September 29, 2023 approving the Offering. No special committee was established in connection with the transaction, and no materially contrary view or abstention was expressed or made by any director.

- (f) A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:**

Not applicable.

- (g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction:**

- (i) that has been made in the 24 months before the date of the material change report:**

Not applicable.

- (ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer:**

Not applicable.

- (h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:**

Other than the subscription agreements for Common Shares, the Company did not enter into any agreement with an interested party or a joint actor with an interested party in connection with the Offering. To the Company's knowledge, no related party to the Company entered into any agreement with an interested party or a joint actor with an interested party, in connection with the Offering.

- (i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:**

A portion of the Offering constituted a "related party transaction" as defined in MI 61-101 as insiders of the Company subscribed for an aggregate of 1,786,329 Common Shares under the Offering. Such related party transactions are exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of securities being issued to the related parties nor the consideration being paid by any of the related parties exceeded 25% of the Company's market capitalization. The participants in the Offering and the extent of such participation were not finalized until shortly prior to the completion of the Offering. Accordingly, it was not possible to publicly disclose details of the nature and extent of related party participation in the Offering pursuant to a material change report filed at least 21 days prior to the completion of the Offering.

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

The report is not being filed on a confidential basis.

7. Omitted Information

No significant facts have been omitted from this Material Change Report.

8. Executive Officer.

For further information, contact Michael Durose, President Chief Executive Officer of the Company at (416) 844-6284.

9. Date of Report.

This report is dated at Toronto, this 3rd day of October, 2023.

Forward-Looking Information

The information contained herein contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to the Transaction and the Offering, risk related to the

failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances, except in accordance with applicable securities laws. Actual events or results could differ materially from the Company's expectations or projections.