

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

**ITEM 1. Name and Address of Company**

Galleon Gold Corp.  
161 Bay St. Suite 2700  
Toronto, Ontario  
M5J 2S1

**ITEM 2. Date of Material Change**

December 14, 2022

**ITEM 3. News Release**

A news release attached as Schedule "A" was disseminated Newsfile Corp on December 14, 2022 and filed on SEDAR the same day.

**ITEM 4. Summary of Material Change**

Galleon Gold Corp. announces the closing of the non brokered private placement (the "Offering") for gross proceeds of C\$1,828,861 through the issuance of a combination of units (the "Units") at a price of C\$0.24 per Unit and flow-through units (the "FT Units") at a price of C\$0.26 per FT Unit (the "Offering"). This first tranche consisted of the sale of (i) 583,334 Units and (ii) 6,495,620 FT Units.

Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each FT Unit consists of one common share of the Company and one-half of one Warrant, each issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) (the "Act"). Each Warrant entitles the holder to acquire an additional common share at a price of C\$0.45 for a period of 24 months expiring on December 14, 2024.

BlackBridge Capital Management Corp. and Red Cloud Securities Inc. are acting as finders in connection with the Offering and received an aggregate cash commission of C\$90,952 and 350,199 non-transferable compensation warrants (each a "Finder Warrant"). Each Finder Warrant entitles the holder to acquire one common share at an exercise price of C\$0.24 for a period of two years expiring on December 14, 2024.

The Company intends to use the proceeds raised from the Offering for the exploration and advancement of the Company's West Cache Gold Project in Timmins, Ontario as well as for general working capital purposes. Proceeds from the sale of the FT Units will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Act and "flow-through mining expenditures" as defined in subsection 127 (9) of the Act. Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2022, in the aggregate amount of not less than the total amount of gross proceeds raised from the issuance of FT Units.

**ITEM 5. Full Description of Material Change**

See attached news release.

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

Not applicable.

**ITEM 7. Omitted Information**

None.

**ITEM 8. Executive Officer**

R. David Russell, President, CEO, Chairman. T. 416-644-0066

**ITEM 9. Date of Report**

December 20, 2022

**Schedule "A"**  
**Press Release**

*(see attached)*



## Galleon Gold Announces Closing of First Tranche of Private Placement

*Not for distribution to United States Newswire Services or for dissemination in the United States*

**Toronto, Ontario**, December 14, 2022 – **Galleon Gold Corp.** (the "**Company**") (TSX-V: GGO) is pleased to announce that it has closed a first tranche of a non-brokered private placement for aggregate gross proceeds of C\$1,828,861 through the issuance of a combination of units (the "**Units**") at a price of C\$0.24 per Unit and flow-through units (the "**FT Units** ") at a price of C\$0.26 per FT Unit (the "**Offering**"). This first tranche consisted of the sale of (i) 583,334 Units and (ii) 6,495,620 FT Units.

Each Unit consists of one common share in the capital of the Company and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each FT Unit consists of one common share of the Company and one-half of one Warrant, each issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) (the "**Act**"). Each Warrant entitles the holder to acquire an additional common share at a price of C\$0.45 for a period of 24 months expiring on December 14, 2024.

BlackBridge Capital Management Corp. and Red Cloud Securities Inc. are acting as finders in connection with the Offering and received an aggregate cash commission of C\$90,952 and 350,199 non-transferable compensation warrants (each a "**Finder Warrant**"). Each Finder Warrant entitles the holder to acquire one common share at an exercise price of C\$0.24 for a period of two years expiring on December 14, 2024.

The Company intends to use the proceeds raised from the Offering for the exploration and advancement of the Company's West Cache Gold Project in Timmins, Ontario as well as for general working capital purposes. Proceeds from the sale of the FT Units will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Act and "flow-through mining expenditures" as defined in subsection 127 (9) of the Act. Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2022, in the aggregate amount of not less than the total amount of gross proceeds raised from the issuance of FT Units.

The Company may complete one or more additional tranches of the Offering up to a maximum aggregate amount of C\$3 million. The securities comprising the Units and FT Units and any Finders Warrants issued with respect to the Offering, will be subject to a hold period of four months and one day in accordance with applicable securities laws. The Offering is subject to the final acceptance of the TSX Venture Exchange.

Certain directors and officers of the Company subscribed for an aggregate of 500,000 Units and 50,000 FT Units under the Offering on the same terms as arm's length investors. The participation of the directors and officers in the Offering constitutes a "related party transaction" for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company is exempt from the requirements to obtain a formal evaluation or minority shareholder approval in connection with the insider participation in reliance on sections 5.5 (a) and 5.7 (1) (a) of MI 61-101, as neither the fair market value of the securities issued, nor the fair market value of the consideration for the securities issued exceeds 25% of the Company's market capitalization as calculated in accordance with MI 61-101. The Company did not file a material change report containing all the disclosure required by MI 61-101 more than 21 days before the expected closing of the Offering as the aforementioned insider participation had not been confirmed at that time and the Company wished to close the Offering as expeditiously as possible.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

#### **Warrant Extension Cancellation Notice**

The Company also announces that the proposed extension term of share purchase warrants previously announced on November 25, 2022 has been cancelled and 3,194,317 common share purchase warrants expired as originally contemplated on December 12, 2022.

#### **About the West Cache Gold Project**

The West Cache Gold Project is an advanced-stage gold exploration project covering approximately 10,370 ha located 13 km west of Timmins Ontario on Provincial Highway 101. It is situated in the Western Porcupine Gold Camp along the Destor-Porcupine Fault Zone within the Abitibi greenstone belt, approximately 7 km northeast of Pan American Silver's Timmins West Mine.

The mining lease area hosts the current mineral resource estimate near the center, with additional exploration targets to the north and south. The mineral resource estimate is contained within the Porcupine Sedimentary Basin, a favourable litho-structural corridor with over 5 km of strike-length on the Property. Mineralization is open in all directions and at depth.

## **About Galleon Gold**

Galleon Gold is an exploration and development company focused on advancing the West Cache Gold Project in Timmins, Ontario. The West Cache Gold Project is located 7 km northeast of Pan American Silver's Timmins West Mine and 14 km southwest of Newmont's Hollinger Mine. A 2022 Preliminary Economic Assessment (PEA) for the project demonstrates strong economics. Detail engineering design and baseline studies in support of a permit application for an underground bulk sample are underway.

For further information:

### **Galleon Gold**

R. David Russell

Chairman and CEO

T. (416) 644-0066

[info@galleongold.com](mailto:info@galleongold.com)

[www.galleongold.com](http://www.galleongold.com)

### **Investor Relations**

Harbor Access

Graham Farrell

T. (416) 842-9003

[Graham.Farrell@harbor-access.com](mailto:Graham.Farrell@harbor-access.com)

### **Forward-Looking Statements**

This document contains certain forward-looking statements that reflect the current views and/or expectations of Galleon Gold with respect to its long-term strategy, proposed work, plans and other reports including the PEA for its projects. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the markets in which Galleon Gold operates. Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding intended use of proceeds of the Offering, closing and timing of future tranches, potential mineralization and resources, exploration results, expectations, plans, and objectives of Galleon Gold are forward-looking statements that involve various risks. The following are important factors that could cause Galleon Gold's actual results to differ materially from those expressed or implied by such forward-looking statements: changes in the world-wide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, risks related to infectious diseases, including Covid-19 and the uncertainty of future exploration activities and cash flows, and the uncertainty of access to additional capital. There can be no assurance that forward-looking statements will prove to be accurate as

actual results and future events may differ materially from those anticipated in such statements. Galleon Gold undertakes no obligation to update such forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on such forward-looking statements.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*