

FORM 51-102F3
Material Change Report
Section 7.1 of National Instrument 51-102
Continuous Disclosure Obligations

Item 1. Name and Address of Company

Elysee Development Corp.
9th Floor - 1021 West Hastings Street
Vancouver, B.C. V6E 0C3

Item 2. Date of Material Change November 2, 2020

Item 3. News Release

The news release was disseminated on November 2, 2020 through the facilities of Newsfile and was SEDAR filed with the securities commissions of Alberta and British Columbia.

Item 4. Summary of Material Change

On November 2, 2020 Elysee Development Corp. announced its unaudited financial results for the three and nine month periods ended September 30, 2020. All dollar amounts are in Canadian funds.

Highlights of the results for the three and nine months ended September 30, 2020 (Q3 2020) include:

- Net income increased to \$2,330,345 (\$0.09 per share) in Q3 2020 from \$232,474 in Q3 2019;
- Net earnings for the nine months ended September 30, 2020 were \$2,709,872 (\$0.10 per share) as compared to \$935,538 (\$0.03 per share) during the comparable period a year prior; and
- Net Asset Value increased to \$0.64 per share at September 30, 2020 from \$0.57 per share at December 31, 2019.

Based on this strong financial performance, and in accordance with the Company's policy of returning cash to the shareholders whenever prudent, the board of directors of Elysee has declared an interim dividend for fiscal 2020 of one cent (\$0.01) per common share. The dividend is to be paid on November 27, 2020 to shareholders of record on November 19, 2020. This is an eligible dividend for Canadian income tax purposes.

Item 5. Full Description of Material Change

On November 2, 2020 Elysee Development Corp. announced its unaudited financial results for the three and nine month periods ended September 30, 2020. All dollar amounts are in Canadian funds.

Highlights of the results for the three and nine months ended September 30, 2020 (Q3 2020) include:

- Net income increased to \$2,330,345 (\$0.09 per share) in Q3 2020 from \$232,474 in Q3 2019;
- Net earnings for the nine months ended September 30, 2020 were \$2,709,872 (\$0.10 per share) as compared to \$935,538 (\$0.03 per share) during the comparable period a year prior; and
- Net Asset Value increased to \$0.64 per share at September 30, 2020 from \$0.57 per share at December 31, 2019.

Based on this strong financial performance, and in accordance with the Company's policy of returning cash to the shareholders whenever prudent, the board of directors of Elysee has declared an interim dividend for fiscal 2020 of one cent (\$0.01) per common share. The dividend is to be paid on November

27, 2020 to shareholders of record on November 19, 2020. This is an eligible dividend for Canadian income tax purposes.

As of September 30, 2020 the most significant publicly traded investments held by Elysee were Kirkland Lake Gold Inc., Gold Terra Resource Corp., Oroco Resource Corp. Southern Silver Exploration Corp. and Reyna Silver Corp. Please visit our website and review our MD&A for more details on individual investments.

As at September 30, 2020 the fair value of the company's investments in marketable securities was \$10,921,952 as compared with \$10,260,554 as at December 31, 2019. Cash and cash equivalents at September 30, 2020 totaled \$3,576,439 as compared to \$1,919,243 at December 31, 2019. The Company's only debt was comprised of trade payables of \$988 as of September 30, 2020.

During the nine month period ended September 30, 2020 the Company repurchased 190,000 of its shares at a total cost of \$63,750 pursuant to a Normal Course Issuer Bid that was renewed for another year on May 9, 2020. These shares were returned to treasury and cancelled. As of September 30, 2020 there were 26,972,613 shares outstanding.

On September 30, 2020 Elysee's net asset value ("NAV") was \$0.64 per share. NAV is a non-GAAP (generally accepted accounting principles) measure calculated as the value of total assets less the value of total liabilities divided by the total number of common shares outstanding as at a specific date. For the purpose of this calculation, share purchase warrants held by Elysee were valued using the Black-Scholes model calculation, as reported in our annual and quarterly financial statements. The term NAV does not have any standardized meaning according to GAAP and therefore may not be comparable to similar measures presented by other companies. There is no comparable GAAP measure presented in Elysee's financial statements and thus no applicable quantitative reconciliation for such non-GAAP financial measure. The Company believes that NAV can provide information useful to its shareholders in understanding its performance, and may assist in the evaluation of its business relative to that of its peers.

The audited Financial Statements and Management Discussion and Analysis are available for viewing on SEDAR and at www.elyseedevlopment.com.

Item 6.	<u>Reliance on subsection 7.1(2) or (3) of National Instrument 51-102</u>	N/A
Item 7.	<u>Omitted Information</u>	N/A
Item 8.	<u>Executive Officer</u> Guido Cloetens Telephone: (778) 373-1562	
Item 9.	<u>Date of Report</u> November 2, 2020	

Caution Regarding Forward-Looking Statements

This news release contains certain forward-looking statements that are subject to a number of risks and uncertainties. Actual results may differ materially from results contemplated by the forward-looking statements. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Company does not undertake to update any forward-looking statements, oral or written, made by itself or on its behalf, except as required by applicable law.