

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, 2023

Item 3. News Release

The news release was disseminated on November 2, 2023, 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, 2023, Elysee Development Corp. announced its unaudited financial results for the three and nine months ended September 30, 2023 (“Q3 2023”). All dollar amounts are in Canadian funds.

During the nine months ended September 30, 2023, interest and dividend income of \$452,017 and realized gains on marketable securities of \$20,598 were offset by unrealized losses on marketable securities of \$1,822,547 and a write-down on other investments of \$166,830. After deducting general and administrative expenses of \$372,893 and transaction costs of \$13,030, the Company incurred a net and comprehensive loss for the nine months ended September 30, 2023 of \$1,903,072 (\$0.07 per share).

During the three months ended September 30, 2023 (“Q3 2023”), interest and dividend income of \$81,165 and realized gains on marketable securities of \$42,939 were offset by unrealized losses on marketable securities of \$1,264,012 and a write-down on other investments of \$166,830. After deducting general and administrative expenses of \$94,489 and transaction costs of \$1,825, the Company incurred a net and comprehensive loss for Q3 2023 of \$1,400,850 (\$0.05 per share).

During the nine months ended September 30, 2023, General and Administrative expenses were reduced to \$372,893 from \$500,579 during the same period a year prior due to a reduction in management fees and share based payments.

After paying out a one cent per share cash dividend for fiscal 2022 (a total of \$284,506) on April 11, 2023, the company's net asset value decreased from \$15.4 million on Dec. 31, 2022 (54 cents per share), to \$13.3 million (46.5 cents per share) on September 30, 2023. Cash on hand as of September 30, 2023, was \$1,026,294. There is no debt.

Item 5. Full Description of Material Change

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Quarterly Review

The overall performance of natural resource related stocks continued to be poor during Q3 2023, with the TSX Venture exchange index declining 12% during the period in conjunction with the GDX (senior gold miners) and GDXJ (junior gold/silver miners) trackers, which both declined by a comparable amount. Elysee's unrealized loss on marketable securities is in line with the overall market weakness in the commodity space.

Rapidly rising interest rates and high real yields on bonds are having a major impact on stock prices. Metal prices continued to be weak due to slower growth in China and weaker demand worldwide. This is putting pressure on mining stocks, making it difficult for exploration and development companies to obtain equity financing. The discrepancy between the relatively strong gold price and the weakness of junior gold miners and developers is remarkable.

With a strong cash balance and no debt, Elysee is well positioned to take advantage of favorable terms currently being offered by quality companies trying to raise capital during these difficult times.

During Q3 2023, the Company increased its exposure to the uranium sector by investing in units of Sprott Physical Uranium Trust and other uranium companies/issuers. We raised our investment in Oroco Resource Corp by participating in a private placement. In addition, we increased our stake in several other undervalued exploration and development companies.

In September 2023 one of Elysee's private equity investments, CareCru Incorporated, filed for creditor protection and a trustee was appointed. As a result, Elysee elected to write down this equity investment of \$166,830 in full.

The most significant publicly traded equity positions for Elysee as of September 30, 2023, were Arizona Sonoran Copper Company Inc., Dundee Precious Metals Inc., Green Impact Partners Inc., Hudbay Minerals Inc. and Agnico Eagle Mines Limited.

For more information on these investments and others made during the period, please refer to the MD&A dated November 1, 2023, on SEDAR or on our website at www.elyseedevelopment.com.

During the nine months ended September 30, 2023, the Company purchased 157,000 of its shares at a total cost of \$68,746 (\$0.438 per share) pursuant to a Normal Course Issuer Bid. As of September 30, 2023, there were 28,640,113 shares outstanding.

On September 30, 2023, Elysee's net asset value ("NAV") was \$0.465 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 Financial Statements and Management Discussion and Analysis are available for viewing on SEDAR and at www.elyseedevelopment.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> May 2, 2023	

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.