

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

Item 1 Name and Address of Company

Capitan Silver Corp. (the "**Company**")
800 West Pender Street, Suite 550
Vancouver, British Columbia
V6C 2V6

Item 2 Date of Material Change

December 17, 2025

Item 3 News Release

A news release with respect to the material change referred to in this report was issued by the Company through Newsfile on December 17, 2025 and a copy was subsequently filed on the System for Electronic Data Analysis and Retrieval + (www.sedarplus.ca) under the Company's issuer profile.

Item 4 Summary of Material Change

On December 17, 2025, the Company closed its previously announced "bought deal" private placement (the "**Offering**") pursuant to which the Company issued 11,333,250 common shares of the Company (the "**Common Shares**") at a price of C\$2.03 per Common Share (the "**Issue Price**") for gross proceeds of C\$23,006,497.50, including the exercise in full of the Underwriters' Option (as defined below).

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On December 17, 2025, the Company closed its previously announced Offering pursuant to which the Company issued 11,333,250 Common Shares at the Issue Price for gross proceeds of C\$23,006,497.50, including the exercise in full of the option granted to the Underwriters (as defined below) to purchase (or arrange for substituted purchasers to purchase) up to an additional 1,478,250 Common Shares at the Issue Price on the same terms and conditions as the Offering exercisable in whole or in part at any time up until 48 hours prior to the closing of the Offering (the "**Underwriters' Option**").

Stifel Canada, as sole bookrunner and lead underwriter, together with TD Securities Inc., BMO Capital Markets and Canaccord Genuity Corp. (collectively, the "**Underwriters**") acted as underwriters in connection with the Offering pursuant to the terms of an underwriting agreement dated December 17, 2025.

The Company intends to use the net proceeds of the Offering to fund exploration activities at the Company's Cruz de Plata gold-silver project and for working capital and general corporate purposes, as is more fully described in the Amended and Restated Offering Document (as defined below).

In accordance with National Instrument 45-106 – *Prospectus Exemptions* ("NI 45-106"), the Common Shares were issued to purchasers resident in certain provinces of Canada pursuant to the "listed issuer financing exemption" (the "**Listed Issuer Financing Exemption**") under Part 5A of NI 45-106, as amended by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption*. Pursuant to the Listed Issuer Financing Exemption, the Common Shares issued pursuant to the Offering are not subject to a statutory hold period pursuant to applicable Canadian securities laws; provided, however, that the Common Shares issued pursuant to the Offering to certain insiders of the Company are subject to a hold period pursuant to the policies of the TSX Venture Exchange that will expire on April 18, 2026. The Common Shares were also offered in the United States or to, or for the account or benefit of, U.S. persons by way of private placement pursuant to exemptions from the registration requirements of the *United States Securities Act of 1933*, as amended, and in jurisdictions outside of Canada and the United States on a private placement or equivalent basis, in each case in accordance with all applicable laws.

As consideration for their services, the Company paid the Underwriters an aggregate cash commission of approximately C\$1,372,473. The Offering is subject to the final acceptance of the TSX Venture Exchange.

As part of the Offering, the following insiders of the Company (each, a "**Related Party**") subscribed, directly or indirectly, for an aggregate of 1,960,000 Common Shares at the Issue price for gross proceeds of C\$3,978,800 (each, a "**Related Party Subscription**"), on the same terms as the arm's length subscribers.

Name	Position	Number of Common Shares	Subscription Amount
Robert James Scott	Chief Financial Officer	10,000	C\$20,300
Graham Howard Scott	Director	50,000	C\$101,500
Michael Gentile	10% Security Holder	100,000	C\$203,000
Jupiter Gold & Silver Fund	10% Security Holder	1,800,000	C\$3,654,000
	Total:	1,960,000	C\$3,978,800

Each Related Party Subscription is considered to be a "related party transaction" of the Company for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). In completing each Related Party Subscription, the Company relied on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. Specifically, the Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Related Party Subscriptions in reliance on Section 5.5(b) and Section 5.7(1)(a), respectively, of MI 61-101, as no securities of the Company are listed or quoted on the specified markets and neither the fair market value of the securities issued to the Related Parties nor the fair market value of the consideration for the securities issued to the Related Parties exceeds 25% of the Company's market capitalization as calculated in accordance with MI 61-101. The Company is filing this material change report for the Offering and not the Related Party Subscriptions.

There is an amended and restated offering document (the "**Amended and Restated Offering Document**") for the Offering that can be accessed on SEDAR+

(www.sedarplus.ca) under the Company's issuer profile and on the Company's website at www.capitansilver.com.

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

The following executive officer of the Company is knowledgeable about the material change and this report and may be contacted as follows:

Alberto Orozco, CEO
Capitan Silver Corp.
Phone: (778) 327-6671
Email: info@capitansilver.com

Item 9 Date of Report

December 29, 2025