

FORM 51-102F3

MATERIAL CHANGE REPORT

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

Bear Creek Mining Corporation (“**Bear Creek**” or the “**Company**”)  
3200 – 733 Seymour Street  
Vancouver, British Columbia  
V6B 0S6

**ITEM 2. Date of Material Change**

December 18, 2025

**ITEM 3. News Release**

A joint news release relating to the material change was issued and disseminated on December 19, 2025 by the Company and Highlander Silver Corp. (“**Highlander Silver**”) via NEWSFILE, a copy of which was subsequently filed under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**ITEM 4. Summary of Material Change**

On December 18, 2025, the Company and Highlander Silver entered into a definitive arrangement agreement (the “**Arrangement Agreement**”) pursuant to which Highlander Silver will acquire all of the issued and outstanding shares of the Company (the “**Bear Creek Shares**”) by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the “**Arrangement**” or the “**Transaction**”).

The Company’s shareholders (“**Bear Creek Shareholders**”) will receive 0.1175 common shares in the authorized share structure of Highlander Silver (the “**Highlander Shares**”, and such ratio being the “**Exchange Ratio**” or the “**Consideration**”), by way of plan of arrangement in exchange for each Bear Creek Share held immediately prior to the effective time of the Arrangement. Upon completion of the Arrangement, existing holders of Highlander Shares (“**Highlander Shareholders**”) and former Bear Creek Shareholders will own approximately 82% and 18% of the total issued and outstanding Highlander Shares, respectively, on a fully-diluted basis.

In addition, Highlander Silver has entered into agreements with affiliates of Royal Gold Inc. (“**Royal Gold**”) and Equinox Gold Corp. (“**Equinox**”) to settle all of the Company’s outstanding indebtedness owing to such parties (the “**Debt Settlement Agreements**”). Concurrent with execution of the Arrangement Agreement, both Royal Gold and Equinox have agreed to extend the interest accrual period on Bear Creek’s convertible debts owing to both parties from December 31, 2025 to the earlier of (i) the closing date of the Arrangement and (ii) the termination of the Arrangement Agreement in accordance with its terms (the “**Interest Deferral**”).

Concurrent with entering into the Arrangement Agreement, Highlander Silver has entered into a subscription agreement with the Company for the issuance of 50,000,000 Bear Creek

Shares at a price of \$0.36 per Bear Creek Share for gross proceeds of CAD\$18 million to acquire approximately 14.6% ownership stake in Bear Creek (the “**Private Placement**”).

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

### Details of the Arrangement

On December 18, 2025, the Company and Highlander Silver entered into the Arrangement Agreement pursuant to which Highlander Silver will acquire all of the issued and outstanding Bear Creek Shares by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia).

The Bear Creek Shareholders will receive the Consideration in exchange for each Bear Creek Share held immediately prior to the effective time of the Arrangement. Upon completion of the Arrangement, existing Highlander Shareholders and former Bear Creek Shareholders will own approximately 82% and 18% of the total issued and outstanding Highlander Shares, respectively, on a fully-diluted basis.

Highlander Silver expects to issue an aggregate of approximately 34,450,672 Highlander Shares to the Bear Creek Shareholders, based on the Bear Creek Shares outstanding as at the date of this announcement. Highlander Silver may also issue up to approximately 346,253 additional Highlander Shares subject to, as part of the Arrangement, the conversion into Bear Creek Shares of certain convertible securities of Bear Creek at the effective time of the Arrangement. In-the-money stock options (as determined to be “in-the-money” as at the date of the Arrangement Agreement), restricted share units (the “**RSUs**”) and deferred share units (the “**DSUs**”) of Bear Creek outstanding immediately prior to the effective time of the Arrangement will (whether vested or unvested) immediately vest and be converted, as a step in the Arrangement, into Bear Creek Shares and the holders thereof will receive the number of Highlander Shares to which they are entitled for such Bear Creek Shares under the Arrangement based on the Exchange Ratio. Out-of-the-money options of Bear Creek (as determined to be “out-of-the-money” as at the date of the Arrangement Agreement) will be cancelled without any payment and such out-of-the-money optionholders will cease to have any rights under such cancelled options.

The outstanding warrants of Bear Creek will be treated in accordance with their terms and are expected to continue to trade on the TSX Venture Exchange (“**TSXV**”) under the symbol “**BCM.WT**”. After giving effect to the Arrangement, Bear Creek warrants will become exercisable into Highlander Shares.

The Transaction is expected to close in the first quarter of 2026, subject to the receipt of all required court, regulatory and stock exchange approvals. Following completion of the Arrangement, the Highlander Shares will remain listed on the Toronto Stock Exchange and the Bear Creek Shares will be delisted from the TSXV.

### Concurrent Non-Brokered Private Placement

Concurrently with the entering into of the Arrangement Agreement, Highlander Silver has entered into a subscription agreement with Bear Creek pursuant to which Highlander Silver will subscribe for 50,000,000 Bear Creek Shares at a price of \$0.36 per Bear Creek Share for gross proceeds of \$18 million to acquire approximately 14.6% ownership stake

in Bear Creek (defined above as the “**Private Placement**”). The proceeds from the Private Placement will be used by Bear Creek for bonding, site investigation, exploration and studies at the Corani Project and for general working capital purposes at Mercedes. Closing of the Private Placement is expected to be completed on or about December 30, 2025 and is not contingent on the completion of the Arrangement.

The Private Placement is subject to the approval of the TSXV and other customary regulatory approvals. No finder’s fee is payable in connection with the Private Placement. The Bear Creek Shares issued under the Private Placement will be subject to a statutory four month and one day hold period, pursuant to securities laws in Canada. The Bear Creek Shares issued under the Private Placement have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States. This report shall not constitute an offer to sell or the solicitation of an offer to buy any securities of Bear Creek, nor shall there be any offer or sale of any securities of Bear Creek in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

#### Transaction Conditions and Timing

The Arrangement will be effected by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia) and will require the approval of: (i) at least 66⅔% of votes cast by Bear Creek Shareholders, (ii) 66⅔% of the votes cast by the Bear Creek Shareholders and holders of the stock options, RSUs and DSUs (collectively, the “**Bear Creek Securityholders**”), voting together as a single class, and (iii) a simple majority of the votes cast by disinterested shareholders of Bear Creek, excluding for this purpose the votes by any person required to be excluded pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

The Arrangement constitutes a “business combination” under MI 61-101. The Company intends to rely on the specified markets exemption from the formal valuation requirement set forth in subsection 4.4(1)(a) of MI 61-101 (the “**Specified Markets Exemption**”). The Company will rely on the Specified Markets Exemption by virtue of the fact that: (i) the Bear Creek Shares are listed on the TSXV; (ii) the Bear Creek Shares are not listed on a stock exchange in the United States; and (iii) none of its securities are listed or quoted on any stock exchange outside of Canada and the United States, by virtue of the following orders and guidance of the relevant securities commissions. The Company is relying on an order dated December 5, 2023 (47 OSCB 645) issued by the Ontario Securities Commission, as principal regulator for the Company, granting the Company an exemption to qualify as a “venture issuer” within the meaning of applicable securities laws, notwithstanding the Company’s listing on the Lima Exchange (the “**Exemptive Relief Decision**”).

The Arrangement Agreement includes customary representations and warranties for a transaction of this nature as well as customary interim period covenants regarding the operation of Highlander Silver’s and Bear Creek’s businesses. The Arrangement Agreement also includes customary deal protections in favour of each of Highlander Silver and Bear Creek. With respect to Highlander Silver, these protections include fiduciary-out provisions, non-solicitation covenants, and a right to match any superior proposals. With respect to Bear Creek, these protections include a fiduciary-out provision. The

Arrangement Agreement includes a termination fee of \$8 million payable by Bear Creek in the event the Arrangement Agreement is terminated in certain circumstances and a reverse-termination fee of \$8 million payable by Highlander Silver in the event the Arrangement Agreement is terminated in certain circumstances.

In addition to securityholder and court approvals, the Arrangement is subject to applicable regulatory approvals, stock exchange approvals and the satisfaction of certain other closing conditions customary in transactions of this nature. The Arrangement is expected to close in the first quarter of 2026.

None of the securities to be issued pursuant to the Arrangement have been or will be registered under the U.S. Securities Act, or any state securities laws, and any securities issuable in the Arrangement are anticipated to be issued in reliance upon available exemptions from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This report does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Further details of the Arrangement will be included in a management information circular to be prepared by Bear Creek that will be delivered to Bear Creek Shareholders in advance of the meeting of Bear Creek Securityholders (the “**Bear Creek Meeting**”), anticipated to be held in February 2026.

#### Debt Settlement Agreements and Interest Deferral Agreements

Highlander Silver has entered into the Debt Settlement Agreements to: (i) settle outstanding debt obligations owing by Bear Creek to Equinox and certain affiliates of Royal Gold; and (ii) terminate the gold and silver stream obligations between Bear Creek and an affiliate of Royal Gold under the Mercedes streaming arrangement. The Debt Settlement Agreements are conditional upon closing the Arrangement.

Concurrent with execution of the Arrangement Agreement, both Royal Gold and Equinox have agreed to extend the interest accrual period on Bear Creek’s convertible debts owing to both parties from December 31, 2025 to the earlier of (i) the closing date of the Arrangement and (ii) the termination of the Arrangement Agreement in accordance with its terms (defined above as the “**Interest Deferral**”). As at September 30, 2025, approximately \$3.9 million of interest was accrued and payable to the parties.

Each of Royal Gold and Equinox is a “related party” of Bear Creek and the Interest Deferral constitute “related party transactions” (as each term is defined in the policies of the TSXV and MI 61-101). The Company intends to rely on the Specified Markets Exemption from the formal valuation requirement set forth in subsection 5.5(b) of MI 61-101. The Company is relying on the Exemptive Relief Decision, granting the Company an exemption to qualify as a “venture issuer” within the meaning of applicable securities laws, notwithstanding the Company’s listing on the Lima Exchange.

#### Board of Directors’ Recommendation

Based on the unanimous recommendation of a special committee of independent directors of Bear Creek (the “**Special Committee**”) and after consultation with its outside financial and legal advisors, the board of directors of Bear Creek (the “**Bear Creek Board**”) unanimously approved the Arrangement and has determined the Arrangement is in the

best interests of Bear Creek, and that the Consideration to be received by Bear Creek Shareholders is fair, from a financial point of view, to Bear Creek Shareholders. The Bear Creek Board unanimously recommends that Bear Creek Shareholders vote in favour of approving the Arrangement at the Bear Creek Meeting.

BMO Capital Markets and Stifel Nicolaus Canada Inc. have provided fairness opinions to the Bear Creek Board in connection with the Transaction.

#### Voting Support Agreements

Each of Highlander Silver's and Bear Creek's directors and officers support the Transaction and have entered into customary voting support agreements agreeing to vote their Highlander Shares or Bear Creek Shares, respectively, in favor of the Arrangement. Royal Gold and Equinox have also entered into a voting support agreement with Highlander Silver to vote their Bear Creek Shares in favour of the Arrangement, resulting in approximately 34% of all issued and outstanding Bear Creek Shares and 31% of all issued and outstanding Highlander Shares being subject to voting support agreements to support the Transaction. The voting support agreement may be terminated in certain circumstances, including, without limitation, upon termination of the Debt Settlement Agreements (in the case of Royal Gold) or the Arrangement Agreement.

#### Forward-Looking Statements

This report contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this report. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

In this report, forward-looking statements relate to, among other things, statements regarding: the proposed acquisition by Highlander Silver of all of the Bear Creek Shares pursuant to the Arrangement and the terms thereof; the receipt of necessary shareholder, court and regulatory approvals for the Arrangement; the anticipated timeline for completing the Transaction; the treatment of the Bear Creek warrants and the continued listing of the same; the timing of the Bear Creek Meeting and mailing of the management information circular regarding the same; the Interest Deferral and Debt Settlement Agreements; the terms and conditions pursuant to which the Transaction will be completed, if at all; and the anticipated benefits of the Transaction. These forward-looking statements are no guarantees of future results and involve risks and uncertainties that may cause actual results to differ materially from the potential results discussed in the forward-looking statements.

In respect of the forward-looking statements, Bear Creek has relied on certain assumptions that they believe are reasonable at this time, including assumptions as to the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary regulatory,

court, shareholder, stock exchange and other third party approvals and the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the Transaction. This timeline may change for a number of reasons, including unforeseen delays in preparing meeting materials; inability to secure necessary regulatory, court, shareholder, stock exchange or other third-party approvals in the time assumed or the need for additional time to satisfy the other conditions to the completion of the Transaction. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this report concerning these times.

Risks and uncertainties that may cause such differences include but are not limited to: the risk that the Transaction or the Private Placement may not be completed on a timely basis, if at all; the conditions to the consummation of the Transaction or the Private Placement may not be satisfied; the risk that the Transaction or the Private Placement may involve unexpected costs, liabilities or delays; the possibility that legal proceedings may be instituted against Highlander Silver, Bear Creek, and/or others relating to the Transaction or the Private Placement and the outcome of such proceedings; the possible occurrence of an event, change or other circumstance that could result in termination of the Transaction; risks relating to the failure to obtain necessary shareholder, court and stock exchange approvals; other risks inherent in the mining industry. Failure to obtain the requisite approvals, or the failure of the parties to otherwise satisfy the conditions to or complete the Transaction, Private Placement or Debt Settlement Agreements, may result in the Transaction, Private Placement or Debt Settlement Agreements not being completed on the proposed terms, or at all. In addition, if the Transaction or Private Placement are not completed, the announcement of the Transaction and the Private Placement and the dedication of substantial resources of Highlander Silver and Bear Creek to complete the Transaction and the Private Placement could have a material adverse impact on each of Highlander Silver's and Bear Creek's share price, its current business relationships and on the current and future operations, financial condition, and prospects of each of Highlander Silver and Bear Creek.

**ITEM 5.2. Disclosure of Restructuring Transactions**

Not applicable.

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

Not applicable.

**ITEM 7. Omitted Information**

There are no significant facts required to be disclosed herein which have been omitted.

**ITEM 8. Executive Officer**

Contact: Barbara Henderson, Corporate Secretary  
Telephone: (604) 685-6269  
E-mail: [barb@bearcreekmining.com](mailto:barb@bearcreekmining.com)

**ITEM 9. Date of Report**

December 29, 2025