

**FORM 51-102F3**  
**Material Change Report**

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

Rhyolite Resources Ltd. (“**Rhyolite**” or the “**Company**”)  
595 Burrard Street  
Three Bentall Centre, Suite 1703  
Vancouver, British Columbia V7X 1J1

**Item 2. Date of Material Change**

December 21, 2021

**Item 3. News Release**

The Company issued a news release on December 21, 2021 through the facilities of GlobeNewswire and subsequently filed the news release on SEDAR.

**Item 4. Summary of Material Change**

On December 21, 2021, the Company completed a “bought deal” brokered private placement of 16,000,000 common shares (the “**Common Shares**”) of the Company at a price of C\$0.88 per Common Share (the “**Offering Price**”) for gross proceeds of approximately C\$14 million (the “**Bought Deal Private Placement**”).

Rhyolite also closed a non-brokered private placement of approximately C\$4 million at a price per Common Share equal to the Offering Price (the “**Non-Brokered Private Placement**”), and together with the Bought Deal Private Placement, the “**Offering**”).

**Item 5.1 Full Description of Material Change**

On December 21, 2021, the Company completed the Bought Deal Private Placement of 16,000,000 Common Shares at a price of C\$0.88 per Common Share for gross proceeds of approximately C\$14 million. BMO Capital Markets (“**BMO**”) acted as the sole underwriter in respect of the Bought Deal Private Placement and received a cash commission equal to 6.0% of the gross proceeds thereon.

Rhyolite also closed the Non-Brokered Private Placement of approximately C\$4 million at a price per Common Share equal to the Offering. No finders fees or commissions were paid in connection with the Non-Brokered Private Placement.

The Company intends to use the net proceeds of the Offering for furthering engineering work on Muckahi equipment, procurement of Muckahi equipment, exploration in Suriname, and corporate purposes.

All Common Shares issued under the Offering are subject to a hold period expiring on April 22, 2022 in accordance with applicable securities laws.

**MI 61-101 Disclosure**

The Non-Brokered Private Placement constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) as certain directors and officers of the Company purchased an aggregate of 3,479,637 Common Shares. Fred Stanford, a director and Chief Executive Officer of the Company, purchased 340,909 Common Shares. Tyrus Capital Event Master Fund Limited (“**Tyrus**”), an investment fund managed by Tony Chedraoui, a director of the Company, purchased 3,098,864 Common Shares. Michael Leskovec, a director of the Company, purchased 28,500 Common Shares and Arsalan Talebzadeh, an officer of the Company, purchased 11,364 Common Shares. The Company has relied on exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of related party participation in the Non-Brokered Private Placement as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the related parties, exceeded 25% of the Company's market capitalization (as determined under MI 61-101). This material change report has been filed in connection with the related party participation in the Non-Brokered Private Placement less than 21 days in advance of closing of the Non-Brokered Private Placement as approval of the Non-Brokered Private Placement occurred less than 21 days prior to closing. The Non-Brokered Private Placement was approved by the board of directors of the Company, with directors participating in the Non-Brokered Private Placement abstaining from the vote in respect thereof.

**Item 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 senior officer of the Company is knowledgeable about the material change and this report:

Fred Stanford  
Chief Executive Officer  
(647) 992-5826

**Item 9.**      **Date of Report**

December 21, 2021.

**Forward-Looking Statements**

This material change report includes certain “forward-looking statements” under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the use of proceeds of the Offering. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; delay or failure to receive regulatory approvals; the ability to attract financing on these terms or at all; the price of commodities; and the results of current exploration. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.