

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

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

Medgold Resources Corp. (the “Company”)  
200 Burrard Street, Suite 650  
Vancouver, BC V6C 3L6

Item 2: **Date of Material Change**

November 23, 2022

Item 3: **News Release**

A news release announcing the material change referred to in this report was disseminated on November 23, 2022 through The Newswire and subsequently filed under the Company’s profile on SEDAR.

Item 4: **Summary of Material Change**

The Company has entered into a non-binding arm’s length letter of intent dated November 23, 2022 (the “LOI”) to acquire (the “Acquisition”) all of the issued and outstanding common shares of Balkan Metals Corp. (“Balkan Metals”), a private British Columbia company which holds a portfolio of exploration licenses in Serbia, some of which are contiguous to Medgold’s existing Serbian exploration permits.

Item 5: **Full Description of Material Change**

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**The Proposed Transactions**

To complete the Acquisition, the following steps are intended to be conducted (the “Transactions”):

- Balkan Metals will reimburse certain of Medgold’s expenses related to the Transactions in consideration of the issuance by Medgold to Balkan Metals of Convertible Debentures (see description below under the heading “Other Key Terms of the Transactions”) in the maximum aggregate principal amount of C\$150,000.
- Medgold will consolidate its common shares on a 16:1 basis.
- Medgold will settle up to C\$330,000 in accounts payable by issuing up to 1,650,000 post-consolidation common shares of the Company at a deemed price of C\$0.20 per share.
- Balkan Metals will arrange a private placement financing in Medgold to raise C\$2.0 million. See the description of the Concurrent Financing under the heading “Other Key Terms of the Transactions” below.
- Medgold Shareholders immediately prior to the closing of the Transactions will receive a contingent value right (a “CVR”), with the CVR entitling the holders thereof to receive a pro-rata portion of cash payment, or at the election of the Company, an equivalent amount of Resulting Issuer Shares equal to US\$8.00 for every ounce of gold mineral reserves set out in an independent feasibility study that the Resulting Issuer may prepare in respect of the Tlamino Gold Project in south Serbia (comprised of exploration permits currently held by Medgold).
- In consideration for the transfer to Medgold of 100% of the issued shares of Balkan Metals, Medgold will issue an aggregate of 26,264,266 post-consolidation common shares to the shareholders of Balkan Metals, being one Medgold Share for each Balkan Metals Share.
- The name of the Company will be changed to “Balkan Metals Corp.”.

The Transactions will constitute a “reverse takeover” pursuant to the policies of the TSX Venture Exchange (the “**Exchange**”) and are subject to receipt of Exchange acceptance and receipt of approval of Medgold Shareholders to be sought at a shareholders’ meeting.

It is anticipated the upon completion of the Transactions, the Company (the “**Resulting Issuer**”) will have a maximum of 48,005,248 common shares issued and outstanding, of which approximately 58% will be owned by the former Balkan Metals Shareholders. No finder’s fee is payable with respect to the Acquisition. The Resulting Issuer will be a “Tier 2 mining company” according to the Exchange’s listing classifications. A waiver of the sponsorship requirements of the Exchange will be sought.

It is intended that upon completion of the Transactions, the Resulting Issuer will have at least three directors, a majority of whom are not executive officers or employees. Dr. Elena Clarici will be appointed as Director, Executive Chair and CEO of the Resulting Issuer and will be joined on the Board by Michael Thomsen. Medgold will have the right to appoint one representative to the Resulting Issuer Board. The intended CFO and other officers of the Resulting Issuer will be determined in the coming weeks. Medgold will issue a subsequent news release once all of the directors and officers are known.

#### **Dr. Elena Clarici – Executive Chair, CEO, Director**

A Serbian citizen, Dr. Clarici is a co-founder of Balkan Metals Corp. and has over 25 years of mining investment and corporate experience. Dr Clarici has held key management positions with a number of junior explorers, development companies and private equity funds. She is currently Executive Chairman of Pan Pacific Resource Investments, a private venture capital firm focused on energy transition. Prior to that, she was the Chief Investment Officer at OCIM, a precious metals focused Swiss investment firm. Before that, Dr. Clarici was responsible for the mining investments of Meridian Equity Partners following her role as portfolio co-manager of the Scipion Mining and Resources Fund. Dr. Clarici acts as an independent director to a number of private and public international mining companies, most recently with Exchange-listed silver producer, Aya Copper & Silver Corp. (TSXV:AYA). Dr. Clarici has a PhD in mining and environmental engineering from the Royal School of Mines, Imperial College, London and BEng in Mining Engineering from University of Belgrade.

#### **Michael Thomsen, Independent Director**

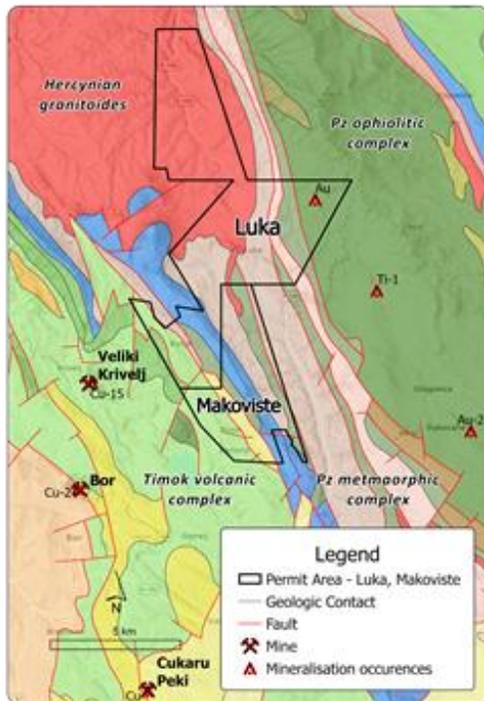
Mr. Thomsen has had an extensive and highly successful career in mineral exploration spanning more than 40 years in the mining sector, and was formerly the Director of International Exploration at Newmont Mining (TSX:NGT). Before that he held the role of Chief Geologist for Indonesia at Freeport McMoRan (NYSE:FCX) and Exploration Manager at Gold Fields (NYSE:GFI). Mr. Thomsen directed exploration efforts in two of the world’s major mining districts - for Newmont at the Yanacocha, Peru high sulphidation gold district and for Freeport at the Ertsberg-Grasberg Porphyry Cu-Au district in Indonesia. Mr. Thomsen graduated with a BSc in Geology from the University of Wisconsin-Milwaukee and holds an MSc in Geology from Wisconsin-Madison.

Balkan Metals has built its portfolio and its operations with a help of a motivated and efficient team of experienced in-country operators.

#### **Dr. Dejan Kozelj – Chief Geologist**

Dr. Kozelj has 40 years of experience in Porphyry Cu-Au and massive sulfide deposit exploration. He was the former Managing Director of Rakita Exploration, which became Phelps Dodge and subsequently Freeport McMoRan Serbia. Dr. Kozelj remained the Country Manager and Chief Geologist for Freeport for over 14 years and led exploration programs across Serbia as well as acting as head of project evaluation for Freeport Europe. Dr. Kozelj received the prestigious Thayer Lindsley Award in 2016 at PDAC, for the discovery of the čukaru Peki high-grade Porphyry Cu-Au deposit in Serbia. Dr. Kozelj has a PhD in Geology from the University of Belgrade.





Cu-Au anomalies within the permit area point to potentially undiscovered porphyry centres. In 2016, the previous operators of the Luka permit - First Quantum Minerals Ltd. (“**FQM**”) completed an extensive regional stream sampling program which identified several anomalous zones and conducted an E-W trending trenching program mapping a strong Silica-Pyrite-Clay alteration zone with Cu-oxide veining at surface, revealing grades up to 3% Cu. FQM also identified high-grade quartz-pyrite-gold veins (1 – 200 g/t Au) from potential cover sequence rock. Balkan Metals is planning an infill 200m grid soil sampling and geophysics to confirm the source of the Cu anomalism and to define drill targets.

The Makovište permit is contiguous to the Luka permit, to its SSE. Strong Cu -Au anomalism in sampling completed by FQM is noted from ridge and spur samples adjacent to the Luka permit over a strike of approximately 4km long, which remains open.

The Bukova Glava permit is located 5km east of Zijin’s Majdanpek copper open-pit mine, itself part of the Bor Mining complex. Historic soil sampling data show a correlation between Au, Mo, As and Sn of similar character to Majdanpek. In 2016, results of their extensive regional stream sampling program prompted FQM to stake the Bukova Glava permit on the grounds of its potential for porphyry intrusions similar to Majdanpek. Balkan Metals is planning to expand detailed geological mapping and grid soil sampling, started in March 2022, as well as geophysics with the objective of identifying potential porphyry intrusions.

### Summary Information for Balkan Metals

Balkan Metals was incorporated on May 22, 2021, and has no controlling shareholders. Based on Balkan Metals’ unaudited financial statements as at December 31, 2021, Balkan Metals had total assets of \$312,667, total liabilities of \$51,167, revenue of Nil, and a net loss of \$136,025.

### Other Key Terms of the Transaction

The other key terms of the Transaction are as follows:

- (1) In consideration of the exclusivity Medgold has granted to Balkan Metals pursuant to the LOI, Balkan Metals has made a non-refundable cash payment to Medgold in the amount of C\$20,000 at the signing of the LOI. Balkan Metals is to make an additional non-refundable payment of C\$30,000 to Medgold upon execution of a definitive agreement, expected to be signed by December 15, 2022.
- (2) Balkan Metals has agreed to provide interim working capital financing to Medgold until April 30, 2023 by way of unsecured convertible debentures (the “**Convertible Debentures**”) in the maximum aggregate principal amount of C\$150,000. The principal amounts of the Convertible Debentures shall bear interest at a rate of 5% per annum, such interest to be payable only if the LOI is terminated and the Acquisition will not complete. Medgold shall have the right to prepay the principal amount owing under the Convertible Debentures without penalty. The principal amount outstanding under the Convertible Debentures shall be convertible at Balkan Metals’ option into common shares of Medgold prior to completion of the Transactions at a price equal to the lesser of C\$0.05 and the lowest conversion price permitted by the Exchange.
- (3) Concurrently with closing of the Transaction, Balkan Metals is to arrange and close a private placement (the “**Concurrent Financing**”) of a minimum of 10,000,000 units (the “**Units**”) of the Resulting Issuer, at an expected minimum price of C\$0.20 per Unit, to raise minimum gross proceeds of C\$2,000,000. The net proceeds of the Concurrent Financing will be used by the Resulting Issuer to fund exploration of its Serbian properties (and principally, the Timok East Project) and for working capital and general corporate purposes. A finder’s fee may be paid in respect of the Concurrent Financing.

As required by the policies of the Exchange, trading of Medgold's common shares has been halted in connection with the announcement of the Acquisition. Trading will remain halted pending the satisfaction of the Exchange's initial filing requirements in respect of the Transactions and the Exchange's initial assessment of the Acquisition and related matters. Medgold Shareholders are advised that trading may remain halted until the Exchange provides its final acceptance of the Transactions.

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**

For further information, please contact Jeremy Crozier, Chief Executive Officer of the Company, at 604-801-5432.

Item 9: **Date of Report**

November 29, 2022