

FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Northern Shield Resources Inc. (the “**Company**”)
150 Elgin Street, 10th Floor
Ottawa, ON K2P 1L4

2. **Date of Material Change**

December 20, 2024, and January 15, 2025.

3. **News Release**

The news releases reporting the material change were disseminated on December 20, 2024 and January 15, 2025, through the facilities of CNW and filed on the Company’s SEDAR+ profile at www.sedarplus.ca.

4. **Summary of Material Change**

On December 20, 2024, the Company closed a non-brokered private placement of flow-through units (“**FT Units**”), whereby it issued 8,000,000 FT Units at a price of \$0.05 per FT Unit for aggregate gross proceeds of \$400,000 (the “**FT Offering**”).

On January 15, 2025, due to regulatory filing timelines, the Company closed its non-brokered private placement of non-flow-through units (“**Units**”), whereby it issued 2,500,000 Units at a price of \$0.04 per Unit for aggregate gross proceeds of \$100,000 (the “**Unit Offering**”).

5.1 **Full Description of Material Change**

The FT Offering

On December 20, 2024, the Company completed the FT Offering, with each FT Unit consisting of one flow-through common share (“**FT Share**”) as defined in subsection 66(15) of the *Income Tax Act* (Canada) (the “**Tax Act**”), and one-half of one common share purchase warrant (each whole warrant, a “**FT Warrant**”). Under the FT Offering, each FT Warrant entitles the holder thereof to purchase one common share in the capital of the Company (“**Common Share**”) at a price of \$0.11 for a period of 24 months following the date of issuance. Pursuant to the FT Offering, the Company paid \$24,000 in finders fees and issued 210,000 finders warrants.

The FT Warrants and the underlying Common Shares do not qualify as “flow-through shares” under the Tax Act. All of the securities issued under the FT Offering are subject to a four-month and one-day statutory hold period.

The Unit Offering

On January 15, 2025, the Company completed the Unit Offering, with each Unit consisting of one Common Share and one whole Common Share purchase warrant (“**Warrant**”). Under the Unit

Offering, each Warrant is exercisable for one Common Share at a price of \$0.10 within 24 months of the closing. All of the securities issued under the Unit Offering will be subject to a four-month and one-day statutory hold period.

Insider Participation

The issuance of 2,500,000 Units, in aggregate, to Russell Richards, a director of the Company, constitutes a “related party transaction” as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”). Pursuant to Sections 5.5(a) and 5.7(1)(a) of MI 61-101, the Company relied on exemptions from the formal valuation and minority shareholder approval requirements, respectively, as neither the fair market value of the Units nor the consideration for such Units, insofar as it involves the insider, exceeds 25 percent of the Company’s market capitalization.

The Company did not file the material change report more than 21 days before the expected closing date of the Unit Offering as its details and the participation therein by the “related party” of the Company were not settled until shortly prior to the closing of the Unit Offering, and the Company wished to close the Unit Offering on an expedited basis for sound business reasons.

The Unit Offering was unanimously approved at a meeting of the board of directors of the Company. In connection with the Unit Offering, the Company entered into a subscription agreement with the “related party”, which included standard terms and conditions in respect of such participant’s investment. The Company confirms it will send a copy of this material change report to any shareholder of the Company who requests it. Details of the security holdings in the Company of the insider participating in the Unit Offering prior to and following the Unit Offering are set out in Schedule “A” attached hereto.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

7. Omitted Information

No information has been omitted on the basis that it is confidential information.

8. Executive Officer

For inquiries regarding the material change and this report, please contact:

Ian Bliss
President and CEO
(613) 232-0459

9. Date of Report

January 27, 2025.

SCHEDULE "A"

Insider	Insider Relationship	Common Shares Held Prior to the Offering	Securities Convertible into Common Shares Held Prior to the Offering	Percentage Held Prior to the Offering (Basic Basis)	Percentage Held Prior to the Offering (Partially Diluted Basis)	Units Purchased	Securities Convertible into Common Shares held after the Offering	Percentage held after the Offering (Basic basis)	Percentage held after the Offering (Partially Diluted Basis)
Russell Richards	Director	8,400,000	5,150,000	9.19%	14.03%	2,500,000	7,650,000	11.61%	18.27%