Form 51-102F3
Material Change Report

1. Name and Address of Company

Gem International Resources Inc. (the "Company")
3467 Commercial Street
Vancouver, BC
V5N 4E8

2. Date of Material Change

March 29, 2016

3. News Release

A news release was issued on March 29, 2016 and disseminated through Canada Stockwatch and Market News.

4. Summary of Material Change

Gem International Resources Inc. Announces New Letter Agreement for Proposed Acquisition of Global Gems International Limited.

5. Full Description of Material Change

Further to its news release of Sept. 23, 2015, Gem International Resources Inc.'s letter agreement with Global Gems International Ltd. for an option to acquire 50 per cent of the issued and outstanding shares of Global Gems has been terminated. Concurrently, the company has entered into a new agreement with Global Gems for an option to acquire 91.5 per cent of the issued and outstanding shares of Global Gems and thereby attain 91.5 per cent of a 45-per-cent interest in the Dala project. The Dala project is located south of Saurimo, the capital of the Lunda Sul province in Angola. In exchange for the option, the company has agreed to, over a two-year period, make total cash option payments of $800,000 (U.S.), issue a total of five million common shares of the company to the vendors and contribute a total of $5-million toward the exploration expenditures.

The company also reannounces that it is continuing to raise private placement proceeds of $800,000 for the sale of up to 16 million units at a price of five cents per unit. Each unit will consist of one common share and one non-transferable share purchase warrant for the purchase of one further common share of the company within two years of the date of grant at the price of 15 cents per such common share. Finders' fees shall be payable in cash. A portion of the net proceeds ($300,000 (U.S.)) shall be used for a non-refundable deposit used by Global Gems for the establishment of office, staff and geologist infrastructure. The balance of the funds shall be used for National Instrument 43-101 report writing fees, research fees, legal fees for supporting legal opinions, audit fees and travelling expenses for corporate travel to raise balance financing to finance the first phase of work estimated at $1.95-million (U.S.), as well as to provide unallocated working capital.

The Dala project

The Dala concession covers an area of 3,000 square kilometres within the heart of the highly prospective and productive diamond region of Angola, only 25 kilometres south of the world-class Catoca diamond mine. Dala represents an early stage project with excellent potential for the discovery of both alluvial and kimberlite deposits. Previous exploration conducted by Moydow Mines International Inc. (a public company listed on the Toronto Stock Exchange and AIM) between 2004 and 2008 included a 15,000-line-kilometre airborne geophysical survey over the entire concession and 102 follow-up ground magnetic survey grids. A total of 29 compelling exploration targets were identified from this work, of which 11 were drill tested resulting in the discovery of four kimberlite pipes. Moydow abandoned the project in early 2009 in response to the significant negative impacts on the exploration and mining industry stemming from the global financial crisis.

From an alluvial perspective, the Dala concession has two of the most prominent diamond-mineralized rivers in Angola flowing through it, namely the Tchicapa and Luachimo Rivers, and exposure to over 100 kilometres of prospective river length to explore and evaluate. Evidence for the presence of alluvial diamond mineralization is provided by the presence of garimpeiro activity (local artisanal miners) at numerous locations along both rivers, together with verbal reports of the recovery of large high-value diamonds from these operations (the company recognizes that such reports may not be reliable).

The initial focus of the partners will be on evaluating the alluvial potential of the project with a view to rapid progression to cash flow generation. After the initial phase of exploration and evaluation of the alluvial deposits has been completed and/or at the time when a revenue stream is achieved from the alluvials, a systematic approach to kimberlite exploration will be developed and implemented financed by the cash flow generated from the alluvial operations. Such a strategy will serve to minimize shareholder dilution resulting from the need for continued equity financings.

Bruce A. Counts, PGeoph, a qualified person under NI 43-101, has reviewed and approved the contents of this news release.

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

Not applicable

7. Omitted Information

Not applicable

8. Executive Officer

Simon Tam, CEO
(604) 871-9916

9. Date of Report

March 29, 2016