

FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Prize Mining Corporation (the "Corporation" or "Prize")
Suite 810, 706 - 7 Avenue S.W.
Calgary, AB, T2P 0Z1
Canada
T: 403-236-2222

2. **Date of Material Change**

April 11, 2017

3. **News Release**

A News Release was disseminated on April 13, 2017 via Marketwired.

4. **Summary of Material Change**

The Corporation closed the previously announced acquisition of 1994854 Alberta Ltd. ("199") (the "Acquisition"). In addition, Prize also completed its previously announced private placement (the "Financing") for proceeds of \$6 million. The Financing was increased from \$3.5 million in response to market demand.

5.1 **Full Description of Material Change**

Prize issued an aggregate of 28,525,000 common shares ("Acquisition Shares") on April 11, 2017 in exchange for all of the outstanding shares of 199. A total of 28,000,000 of the Acquisition Shares are subject to contractual resale restrictions. These restrictions expire in respect of 10% of the Shares on the closing date and in respect of an additional 15% of the Acquisition Shares on each of the 6, 12, 18, 25, 30, and 26 month anniversaries of the closing date. Completion of the Acquisition is subject to the TSX Venture Exchange (the "TSXV") acceptance.

In connection with the completion of the Acquisition, David Schmidt, has joined the Prize Board of Directors, which is now comprised of Feisal Somji, Timothy Bergen, Bryson Goodwin and David Schmidt. Mr. Schmidt completed his Bachelor of Applied Science (Mining) at the University of British Columbia in May, 2000, and since then has been working as a self-employed consultant to mineral exploration companies. He assists with financings, corporate and financial disclosure and corporate development. Mr. Schmidt is also currently a director of several other public companies.

199 is a private Alberta company. 199 entered into option agreement with Apex Resources Inc. (TSXV: APX) ("Apex") pursuant to which 199 has an option to earn an 80% interest in Apex's Kena and Daylight Gold-Copper Properties (the "Kena Project") located in the Nelson area of British Columbia, Canada by making annual cash and share payments and completing \$3,000,000 in Kena Project related exploration expenditures over four years. 199 does not have any interests

in any other mining assets. For additional information regarding the Kena Project please refer to the Company's news release of December 29, 2016 and to the technical report entitled "Technical Report for the Kena Project, Nelson, BC", and dated January 16, 2017 with an effective date of January 7, 2017, a copy of which is available on the Company's SEDAR profile at www.sedar.com.

The Financing was completed on April 11, 2017 for total gross proceeds of \$5,999,949.55 million. The Company issued 14,285,285 units (the "Units") at a price of \$0.35 for proceeds of \$4,999,849.75 and 2,222,444 flow-through shares (the "Flow-Through Shares") at a price of \$0.45 for proceeds of \$1,000,099.80. Each Unit was comprised of one common share of the Company (each a "Common Share") and one half of one common share purchase warrant (each a "Warrant"). Each whole Warrant will be exercisable into one Common Share (the "Warrant Share") at a price of \$0.75 per Warrant Share for a period of 24 months from the closing date of the Offering (the "Warrant Expiry Date"). If, at any time after August 12, 2017, the closing price of the outstanding Common Shares of the Corporation on the TSX Venture Exchange (the "TSXV") is greater than \$0.85 for a minimum of 10 consecutive trading days (whether or not trading of the common shares occurs on such days, provided that the common shares trade on at least five of such trading days), the Warrants will be subject to an accelerated expiration at the option of the Corporation, triggered by the Corporation providing the Holder with notice of such accelerated expiration (the "Early Termination Notice"). Upon delivery of the Early Termination Notice, the Warrants shall expire at 5:00 p.m., Calgary, Alberta time, on the 30th calendar day after giving the Early Termination Notice.

The proceeds of the Financing will be used to fund a \$150,000 work program on the Kena Project, to pursue asset acquisitions and for general corporate purposes. Refer to Prize's news release of February 21, 2017 for details of the work program to be conducted on the Kena Project.

All Common Shares issued in connection with the Financing are subject to a four-month hold period that expires on August 12, 2017. In connection with the closing of the Financing, Prize paid finders' fees to eligible parties. Finders acting in connection with the closing of the Financing received cash payments in the aggregate amount of \$317,159.14 together with 881,343 finders' warrants (the "Finder Warrants"). Each Finder Warrant is exercisable by the holder to purchase one Common Share at a price of \$0.75 for a period of 24 months from the closing date of the Offering at any time prior to 5:00 p.m. (Calgary Time) after August 12, 2017..

The Corporation now has 50,691,869 Common Shares issued and outstanding.

As a result of the Acquisition, L&B Family Trust ("L&B") acquired ownership or control, directly or indirectly over 6,000,000 common shares of Prize (the "Acquired Shares"). L&B received 4,000,000 Common Shares directly, and obtained ownership or control, directly or indirectly over the 2,000,000 received by Fly R+F Consulting Ltd. ("Fly R+F"). In the aggregate, L&B has ownership or control, directly or indirectly over 6,000,000 Common Shares, representing 11.84% of the Common Shares currently issued and outstanding. Prior to the Acquisition being effected, L&B did not own nor control any Common Shares. A copy of the Early Warning Reports filed pursuant to National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues can be found under the Company's profile at www.SEDAR.com.

5.2 **Disclosure for Restructuring Transactions**

Not Applicable.

6. **Reliance on Section 7.1(2) or (3) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

None

8. **Executive Officer**

The name of the executive officer of Prize who is knowledgeable about the material change and this report is:

Feisal Somji, Chief Executive Officer

Telephone: 403-236-2222

Email: info@prizemining.com

9. **Date of Report**

April 21, 2017