FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Kootenay Silver Inc. (the “Company” or “Kootenay”)
1650 – 1075 West Georgia Street
Vancouver, British Columbia V6E 3C9
Fax: 604.683.2249

Item 2: Date of Material Change

March 5, 2019.

Item 3: News Release

The news releases were disseminated on March 6, 2019 and March 12, 2019 through CNW Newswire and filed on SEDAR.

Item 4: Summary of Material Change

The Company closed a non-brokered private placement (the “Private Placement”) on March 5, 2019 pursuant to which it issued an aggregate of 50,309,511 units (each a “Unit”) at a purchase price of $0.14 per unit for aggregate gross proceeds to the Company of $7,043,331.54. Each Unit consisted of one common share and one transferable common share purchase warrant (a “Warrant”). Each Warrant entitles the holder to acquire one common share at an exercise price of $0.20 per share until March 5, 2024. Cash finders’ fees to arm's-length parties totaling $258,763.89 were been paid on a portion of the Private Placement.

Item 5: Full Description of Material Change

The Company closed the Private Placement on March 5, 2019 and issued an aggregate of 50,309,511 Units at a purchase price of $0.14 per Unit for aggregate gross proceeds to the Company of $7,043,331.54. Each Unit consisted of one common share and one transferable common share purchase warrant (a “Warrant”). Each Warrant entitles the holder to acquire one common share at an exercise price of $0.20 per share until March 5, 2024. Cash finders’ fees to arm's-length parties totaling $258,763.89 were been paid on a portion of the Private Placement.

The Company intends to use the net proceeds of the Private Placement for drill testing Columba; the advancement of Copalito to drill ready stage, advancement of Mecatona to drill targeting and further drill targeting and target prioritization at La Cigarra. The Company will also use a portion of the net proceeds of the Private Placement for maintenance of existing properties, investigating future acquisitions with the focus on large high-grade deposits as well as general working capital.

All securities issued pursuant to the private placement are subject to a four-month hold period under applicable securities laws in Canada, ending on July 6, 2019. The Private Placement is subject to the final acceptance of the TSX Venture Exchange.

Due to the participation of a director and an officer in the Private Placement, the Private Placement is a related party transaction pursuant to Multilateral Instrument 61-101 – Protection of Minority Security

Holders in Special Transactions ("MI 61-101"). The Company is exempt from the requirements to obtain a formal valuation and minority shareholder approval in connection with the participation of the aforementioned director and officer in the Private Placement in reliance of the exemptions contained in sections 5.5(b) and 5.7(1)(a) of MI 61-101. The Private Placement was unanimously approved by the board of directors of the Company, with the aforementioned director, having declared and abstained from voting on the resolutions with respect to his interest therein.

Forward Looking Statements

The information in this material change report has been prepared as at March 14, 2019. Certain statements in this material change report, referred to herein as "forward-looking statements", constitute "forward-looking statements" under the provisions of Canadian provincial securities laws. These statements can be identified by the use of words such as "expected", "may", "will" or similar terms and include, without limitation, statements regarding regulatory acceptance of the Private Placement and the Company's planned use of proceeds of the Private Placement.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by Kootenay as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many factors, known and unknown, could cause actual results to be materially different from those expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. Except as otherwise required by law, Kootenay expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in Kootenay's expectations or any change in events, conditions or circumstances on which any such statement is based.

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

N/A.

Item 7: Omitted Information

N/A.

Item 8: Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Rajwant Kang, Chief Financial Officer and Corporate Secretary
Telephone: 604.601.5650

Item 9: Date of Report

March 15, 2019.