51-102F3 Material Change Report

1. Name and Address of Company

King's Bay Gold Corporation
#1450 – 789 West Pender Street
Vancouver, BC V6C 1H2

2. Date of Material Change

June 9, 2016

3. New Release

Pursuant to section 7.1 of National Instrument 51-102, the news release was disseminated by FSC Wire on June 9, 2016.

4. Summary of Material Changes

King's Bay announces share consolidation and proposed private placement

5. Full Description of Material Changes

Please see attached.

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

Not Applicable

7. Omitted Information

Not Applicable

8. Executive Officers

Dusan Berka, President
Telephone: 604.681.1568

9. Date of Report

June 9, 2016

KING'S BAY GOLD CORPORATION

1450 – 789 West Pender Street
Vancouver, BC V6C 1H2

King's Bay Gold Corporation Announces Share Consolidation; Private Placement

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES NOR FOR DISSEMINATION IN THE UNITED STATES

June 9, 2016 – **King's Bay Gold Corporation** (TSXv: KBG) ("King's Bay" or the "Company") announces that the board of directors passed a resolution on June 8, 2016 to proceed with a consolidation of the common shares of the Company on the basis of ten (10) pre-consolidation shares for one (1) post consolidation share (the "Consolidation"). The consolidation was approved by the Company's shareholders at the Annual and Special Meeting held on May 31, 2016. This transaction is subject to TSX Venture Exchange approval.

Currently, a total of 282,561,233 common shares are issued and outstanding. Accordingly, upon the Consolidation becoming effective, a total of approximately 28,256,123 common shares will be issued and outstanding. There is no maximum of authorized common shares.

Computershare Trust Company of Canada ("Computershare") will mail letters of transmittal to the shareholders providing instructions on exchanging pre-Consolidation share certificates for post-Consolidation share certificates. Shareholders are encouraged to send their share certificates, together with their letter of transmittal, to Computershare in accordance with the instructions in the letter of transmittal.

Private Placement

The Company proposes to issue, on a post-consolidated basis 6,666,666 units at $0.15 per unit for gross proceeds of up to $1,000,000. Each unit will be comprised of one common share and on-half of a share purchase warrant with each whole warrant exercisable into one common share at a price of $0.25 for two years from closing.

All the securities will be subject to a four-month hold period from the date of closing. A finder's fee may be payable, in accordance with the policies of the TSX Venture Exchange. The private placement is subject to the approval of the TSX Venture Exchange. Proceeds of the private placement are expected to be utilised for acquisitions, general and administrative expenses.

ON BEHALF OF THE BOARD OF DIRECTORS
King's Bay Gold Corporation

"Dusan Berka"
Dusan Berka, P. Eng.
President and Director
Tel: (604) 681-1568