

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Highway 50 Gold Corp. (the "Company")
Suite 2300, 1177 West Hastings Street
Vancouver, British Columbia V6E 2K3

Item 2: Date of Material Change

July 5, 2016

Item 3: News Release

The news release was disseminated on July 5, 2016 through **Market News** and **Stockwatch** and filed on SEDAR.

Item 4: Summary of Material Change

The Company announced the commencement of drilling at the Monroe project located in Southeastern British Columbia.

Item 5: Full Description of Material Change

See attached.

Item 6: Reliance on subsection 71(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:

Gordon P. Leask
President and CEO
(604) 681-4462

Item 9: Date of Report

July 5, 2016

NEWS RELEASE

HIGHWAY 50 GOLD ANNOUNCES COMMENCEMENT OF DRILLING AT MONROE

**Vancouver, British Columbia – Highway 50 Gold Corp. (TSX.V – HWY)
July 5, 2016**

Highway 50 Gold Corp. (“Highway 50” or the “Company”) is pleased to announce the commencement of drilling at the Monroe project located in southeastern British Columbia. Monroe is a “Sullivan type” lead/zinc base metal exploration target located on the southern extension of the Sullivan Mine Corridor. Geologic similarities to the Sullivan Mine are numerous including the structural, lithological and alteration features.

The Phase 1 drill campaign consists of two drill holes totalling 1,400 m of drilling. The holes are targeted to test the Sullivan Mine stratigraphy within a prospective third order basin which has coincident gravity and electromagnetic geophysical anomalies. A complete review of all drilling in the area since 1993 has outlined a third order basin that has not been previously tested by drilling.

The Company has an option to earn a 50% interest in the Monroe project by spending an initial \$100,000 in exploration expenditures in the first year, followed by additional annual optional exploration expenditures totalling \$2.9 million over the next four years.

This news release has been reviewed by Gordon P. Leask, P.Eng., President and CEO of the Company, and a Qualified Person (“QP”) as defined by National Instrument 43-101 (Standards of Disclosure for Mineral Projects).

For additional information:

Gordon P. Leask, P.Eng. or John M. Leask, P.Eng.

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Email: gord@highway50gold.com or jml@highway50gold.com

About Highway 50 Gold Corp.

Highway 50 Gold Corp. is a mineral exploration stage company led by a team of experienced explorers and deal-makers. The Company is executing an exploration plan refined over 25 years of experience in Nevada. The exploration focus on its projects are a result of what management believes to be proprietary breakthroughs in the understanding of north-central Nevada’s crustal architecture.

Neither the TSX Venture Exchange, nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note *This news release contains certain forward-looking statements, including statements regarding the business and anticipated financial performance of the Company. These statements are subject to a number of risks and uncertainties. Actual results may differ materially from results contemplated by the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include changes in metal prices, changes in the availability of funding, unanticipated changes in key management personnel and general economic conditions. Mining is an inherently risky business. Accordingly the actual events may differ materially from those projected in the forward-looking statements. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Company does not undertake to update any forward looking statements, oral or written, made by itself or on its behalf.*