FORM 51-102F3 - MATERIAL CHANGE REPORT

1. **NAME AND ADDRESS OF COMPANY**

Japan Gold Corp. (the "**Company**" or "**Japan Gold**")
Suite 650 – 669 Howe Street
Vancouver, BC V6C 0B4

2. **DATE OF MATERIAL CHANGE**

May 29 and June 1, 2020

3. **NEWS RELEASE**

News release dated June 1, 2020 was disseminated through the facilities of Newsfile Corp.

4. **SUMMARY OF MATERIAL CHANGE**

Japan Gold Closes C$5 Million Second Tranche of Over-Subscribed Private Placement

5. **FULL DESCRIPTION OF MATERIAL CHANGE**

Japan Gold announced that it has closed a C$5 million second and final tranche of its previously announced non-brokered private placement (the "**Private Placement**"). The Private Placement was over-subscribed and the net proceeds of the Private Placement will be used primarily for the Company's exploration activities and for general working capital.

Under the second tranche of the Private Placement, the Company issued 20,000,000 units of the Company (the "**Units**") at a price of C$0.25 per Unit for gross proceeds of C$5 million. Together with the first tranche closing announced on May 11, 2020, the Company raised a total of C$7,569,500 under this Private Placement. Southern Arc Minerals Inc. ("**Southern Arc**") participated and supported the Private Placement by subscribing for 3,520,000 Units in the second tranche. Southern Arc also settled $1 million of debt under a previously announced loan agreement concurrently with the closing of the first tranche of the Private Placement. The debt was settled by the issuance of 4,000,000 Units to Southern Arc in accordance with Policy 4.3 of the TSX Venture Exchange policies. The Units issued pursuant the Debt Settlement have the same terms as the Private Placement Units.

Each Unit consists of one common share of the Company (each, a "**Common Share**") and one-half of one transferable common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle the holder to purchase one Common Share at a price of C$0.40 per Common Share for a period of 24 months from the date of closing. The Warrants contain a forced exercise provision if the closing price of the Common Shares on the TSX Venture Exchange is equal to or greater than C$0.80 for a period of 10 consecutive trading days. The Common Shares will be subject to a hold period of four months and one day in accordance with applicable securities laws.

The Company has agreed to pay a finders fee in cash equal to 6.0% of the gross proceeds from the sale of Units to third parties sourced by the finders as well as warrants to purchase that number of Common Shares equal to 6.0% of the number of Units sold to third parties sourced by the finder. The finder's warrants will be exercisable at C$0.25 per Common Share for a period of 12 months from the date of closing.

The Company has determined that exemptions from the various requirements of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") are available for the issuance of the Units to Southern Arc, as an insider of the Company. The Company is relying on the exemptions from the formal valuation and minority approval requirements contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, on the basis that the fair market value of the transaction does not exceed 25 per cent of the Company's market capitalization. The Company did not file the material change report more than 21 days prior to the closing of the transaction due to the timing of the announcement and closing occurring in less than 21 days. The board of directors of the Company authorized the second tranche of the Private Placement. John G. Proust, Michael J. Andrews, Robert J. Gallagher, and John Carlile, all directors of Southern Arc, each declared their interest and abstained from consenting to the resolutions approving the issuance of the Units issued to Southern Arc.

Increasing Japan Gold's profile

The Company also announced that it has entered into the following agreements in order to increase its profile in the public markets.

Japan Gold has agreed to the terms of a media services contract (the "**Market One Contract**") with Market One Media Group Inc. ("**Market One**") pursuant to which Market One will create marketing programs including e-mail distribution, mass media distribution, online advertising, social media exposure and newsletter coverage for the Company. Japan Gold will pay Market One $148,000 for these services and the Market One Contract will have a term of 12 months. Market One provides social media management, on camera interviews for broadcast on BNN Bloomberg, editorial content, and online video services to its extensive roster of publicly listed companies.

The Company has entered into an agreement (the "**Proactive Agreement**") with Proactive Investors LLC ("**Proactive**") pursuant to which Proactive will provide written and video interview coverage of the Company through the Proactive network. The agreement has an annual cost of C$16,000. Proactive Investors is a financial news and events organization with bureaus in North America, the United Kingdom and Australia. Across all business lines, its worldwide client base numbers approximately 800 companies. Proactive currently owns 64,000 units of the Company.

The Company has entered into an advertising agreement (the "**INN Agreement**") with Dig Media Inc. doing business as Investing News Network ("**INN**") pursuant to which INN will prepare a profile describing the Company including publicly available corporate information, maps, videos, images, news feed and stock charts. That profile will be displayed on INN's web site. Links to the profile will be posted on social media channels. The Company will pay INN $40,000 for INN's services and the INN Agreement will have a term of 12 months. Dig Media Inc. owns 80,000 shares and 40,000 warrants of the Company.

6. RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102

N/A

7. OMITTED INFORMATION

N/A

8. EXECUTIVE OFFICER

John Proust, Chairman
Telephone: (778) 725-1491

9. DATE OF REPORT

June 1, 2020