

**MATERIAL CHANGE REPORT
FORM 51-102F3**

Item 1 - Name and Address of Company

Ressources GéoMégA Inc. (“GéoMégA” or the “Corporation”)
75, boul. de Mortagne
Boucherville, Québec J4B 6Y4

Item 2 - Date of Material Change

September 30, 2019

Item 3 - News Release

News release was disseminated on September 30, 2019, in respect of the material changes referenced in this report. Copies of the news release is attached hereto as schedule “A”.

Item 4 - Summary of Material Change

Geomega Confirms Plant CAPEX; Potential to Triple Daily Throughput

Item 5 - Full Description of Material Change

5.1 Full Description of Material Change

Please refer to Schedule A for details.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 - Reliance on Section 7.1(2) of Regulation 51-102

Not applicable.

Item 7 - Omitted Information

Not applicable.

Item 8 - Executive Officer

Kiril Mugerman
President and CEO
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Item 9 - Date of Report

September 30, 2019.

Geomega Confirms Plant CAPEX; Potential to Triple Daily Throughput

Montreal, September 30, 2019 – Geomega Resources Inc. (“**Geomega**” or the “**Corporation**”) (TSX.V: GMA) is pleased to announce the capital expenditure (CAPEX) estimation results of the Front End Engineering & Design (“FEED”) study. Two of the main objectives of the FEED study were to complete an external CAPEX estimation and review the process design work. The FEED study is intended to serve as the foundation for launching the EPCM contract (Engineering, Procurement, Construction and Management) to build the plant.

ISR Process Design & Throughput Capacity

The original design of the demonstration plant presented by Geomega (see press release April 3, 2019) was based on an initial throughput capacity of 1 ton per day, tpd (in 2,000 L batch reactors) which would then require some additional investments to reach 1.5 tpd. The process had originally been designed on a 24-hour operation. Due to economy of scale, the current design has now been scaled up to use 5,000 L reactors and operate on a single work shift of 8 to 10 hours. As a result of this sizing increase and process optimization by Geomega, the demonstration plant could reach a throughput capacity of 1.5 ton per shift, a 50% increase over the initial design. On a per hour basis, this demonstrates a 4.5X increase.

The current study also confirms that the ISR process that was developed by Innord, a private subsidiary of Geomega, is technically feasible and uses off the shelf equipment thereby making it easier to scale up.

CAPEX estimate

The increase of the equipment sizing and the associated throughput capacity results in a CAPEX increase relative to the original \$2M - design presented by Geomega. The externally validated CAPEX estimation for the increased design capacity is \$2.6M (-20%/+30%) including a contingency of 20%.

Direct Costs	\$1,783,025
Indirect Costs	\$371,605
Contingency (20%)	\$432,926
TOTAL	\$2,587,556

As a result, Geomega believes the added flexibility to the demonstration plant may help future scale up by converting the plant into a 24 hours operation instead of having to build a second larger plant. The summary of the original scenario, the current updated scenario and the potential growth plant designs are presented in the table below.

Scenario	Daily Throughput (tpd)	Annual Throughput (tpy)	Operation Schedule (hrs)	CAPEX	CAPEX/TPY
Original	1	330	24	2M\$	6,060
Current	1.5	500	8	2.6M\$	5,200
Growth	4.5	1500	24	3.6M\$*	2,000

*assumes an up to \$1M additional investment (not part of the FEED study, internal assumption by Geomega) to accommodate the larger volume

The next step is to finalize all the ongoing engineering activities in order to begin the EPCM process. The current results will serve to (i) finalize the location selection of the demonstration plant, (ii) complete project financing initiatives with various levels of government and institutional groups and (iii) begin a permitting process. A tentative location has already been identified but the current results were needed to validate the size requirements and the type of permitting for the building. In addition, the Corporation has received term sheets for a debt financing and CAPEX confirmations were the key missing element to facilitate closing the financing. A more detailed schedule, including production plans for 2020, is expected to be provided with the launch of the EPCM.

The Corporation has begun accumulating a small stockpile of feed material and will continue doing so during the EPCM period. Other sources of magnet scrap have been identified over the last several months and several initiatives are ongoing to secure additional feed material.

“These results have exceeded our expectations and we are looking forward to the next stage of the project. The modified design, with larger throughput capacity, provides not only an immediate reduction in the load of capital expenditures relative to annual production but also opens the door to expansion in the future without having to build a second plant in the coming years. This is very important as we are starting to see significant growth in both primary magnet waste and end-of-life material over the coming years and as a result rare earth mining and exploration companies are starting to invest in early stage magnet recycling technologies. We are also seeing companies such as Apple starting to use recycled rare earths in their newest models and the European Union investing heavily in rare earths recycling through universities. We believe Geomega to be strategically positioned to be at the forefront of rare earths recycling with initial production from the demonstration plant targeted for 2020. Finally, the increased throughput capacity as well provides an opportunity to process other feed materials besides rare earth magnets. The Corporation continues to evaluate other feeds that could complement the demonstration plant throughput and contribute favorably to the Corporation’s cash flows in the future.” commented Kiril Mugerma, President and CEO of Geomega and Innord.

About Geomega (www.geomega.ca)

Based in Montreal, Canada, Geomega Resources has developed a proprietary, environmentally friendly “ISR Technology” that recycles rare earth elements with focus on the permanent magnet industry and produces four high demand, high price, rare earth elements (HHREE – specifically Nd, Pr, Tb, Dy).

The Corporation is targeting 2020 for initial production from its demonstration plant to supply HHREE’s to North America and other parts of the world.

Geomega also owns the Montviel rare earth carbonatite deposit and holds over 16.8M shares, representing approximately 20% of the issued and outstanding shares of Kintavar Exploration Inc. (KTR.V), a mineral exploration company that is advancing the Mitchi stratiform copper project in Quebec.

About Innord Inc.

Innord is a private subsidiary of Geomega of which Geomega owns 96.1%. The goal of Innord is to develop and optimize the proprietary ISR Technology for extraction and separation of rare earth elements. Innord focuses on scaling up the technology through processing rare earth enriched secondary sources (recycling of end of life and manufacturing waste) and then to apply the technology to primary mining feeds.

For further information, please contact:

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