Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. **Name and Address of Reporting Issuer**

Kapuskasing Gold Corp.
(the "**Company**" or "**KAP**")
Suite 501, 133 Richmond Street West
Toronto, ON M5H 2L3

Item 2. **Date of Material Change**

October 12, 2017

Item 3. **News Release**

A News Release dated October 13, 2017 was disseminated via FSCwire.

Item 4. **Summary of Material Changes**

A summary of the nature and substance of the material change is as follows:

Kapuskasing Gold Grants Stock Options

Item 5. **Full Description of Material Change**

5.1 **Full Description of Material Change**

Kapuskasing Gold Corp. (TSX-V: KAP) (the "Company" or "KAP") announces that it has granted options to acquire a total of 2,750,000 common shares of the Company to employees, consultants, officers and directors pursuant to the Company's approved stock option plan at the exercise price of $0.05 per share for a period of five years.

5.2 **Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

Item 7. **Omitted Information**

Not applicable

Item 8. **Executive Officer**

For further information, please contact Jon Armes at **(416) 708-0243**.

Item 9. **Date of Report**

October 13, 2017