FORM 51-102F3
Material Change Report

Item 1. **Reporting Issuer**

Sandy Lake Gold Inc. (the "**Company**")
1101-141 Adelaide Street West
Toronto, ON
M5H 3L5

Item 2. **Date of Material Change**

The material change took place on September 27, 2018.

Item 3. **Press Release**

On September 28, 2018, a news release in respect of the material change was disseminated.

Item 4. **Summary of Material Change**

The Company announced that it has, subject to regulatory approval, closed a private placement financing (the "**Offering**") of 4,700,000 units (the "**Units**") at a price of $0.06 per Unit pursuant to which it raised aggregate gross proceeds of $282,000.

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

The material change is described in the Company's press release attached hereto as Schedule "A", which press release is incorporated by reference herein.

Each Unit consists of one common share of the Company (a "**Share**") and one share purchase warrant (a "**Warrant**"), with each Warrant entitling the holder thereof to acquire one additional Share at an exercise price of $0.10 for a period of 36 months.

Pursuant to the Offering, Michele McCarthy, an insider of the Company, subscribed for an aggregate of 85,000 Units. As of September 27, 2018, immediately prior to the closing of the Offering, Ms. McCarthy held 704,285 Shares and convertible securities entitling Ms. McCarthy to acquire an additional 700,000 Shares, representing less than 1% of the issued and outstanding Shares (and approximately 1.4% on a partially diluted basis, assuming exercise of the convertible securities only). Immediately following the closing of the Offering, Ms. McCarthy holds 789,285 Shares and convertible securities entitling Ms. McCarthy to acquire an additional 785,000 Shares, representing less than 1% of the issued and outstanding Shares (and approximately 1.5% on a partially diluted basis, assuming exercise of the convertible securities only).

Pursuant to the Offering, Daniel Noone, an insider of the Company, indirectly subscribed for an aggregate of 335,000 Units. As of September 27, 2018, immediately prior to the closing of the Offering, Mr. Noone and his associates held 2,300,000 Shares and convertible securities entitling Mr. Noone and his associates to acquire an additional

2,900,000 Shares, representing approximately 2.3% of the issued and outstanding Shares (and approximately 5.1% on a partially diluted basis, assuming exercise of the convertible securities only). Immediately following the closing of the Offering, Mr. Noone and his associates held 2,635,000 Shares and convertible securities entitling Mr. Noone and his associates to acquire an additional 3,235,000 Shares, representing approximately 2.5% of the issued and outstanding Shares (and approximately 5.5% on a partially diluted basis, assuming exercise of the convertible securities only).

Pursuant to the Offering, Patrick Sheridan, an insider of the Company, subscribed for an aggregate of 3,110,000 Units. As of September 27, 2018, immediately prior to the closing of the Offering, Mr. Sheridan held 40,268,148 Shares and convertible securities entitling Mr. Sheridan to acquire an additional 19,800,000 Shares, representing approximately 40.5% of the issued and outstanding Shares (and approximately 50.3% on a partially diluted basis, assuming exercise of the convertible securities only). Immediately following the closing of the Offering, Mr. Sheridan holds 43,378,148 Shares and convertible securities entitling Mr. Sheridan to acquire an additional 22,910,000 Shares, representing approximately 41.6% of the issued and outstanding Shares (and approximately 52.1% on a partially diluted basis, assuming exercise of the convertible securities only).

Pursuant to the Offering, Bruce Rosenberg, an insider of the Company, subscribed for an aggregate of 170,000 Units. As of September 27, 2018, immediately prior to the closing of the Offering, Mr. Rosenberg held 500,000 Shares and convertible securities entitling Mr. Rosenberg to acquire an additional 500,000 Shares, representing less than 1% of the issued and outstanding Shares (and approximately 1% on a partially diluted basis, assuming exercise of the convertible securities only). Immediately following the closing of the Offering, Mr. Rosenberg holds 670,000 Shares and convertible securities entitling Mr. Rosenberg to acquire an additional 670,000 Shares, representing less than 1% of the issued and outstanding Shares (and approximately 1.3% on a partially diluted basis, assuming exercise of the convertible securities only).

The Offering has been approved by the board of directors of the Company effective September 20, 2018 and was completed to raise proceeds to fund exploration of property interests and for general corporate purposes. The Company is relying on the exemption from the formal valuation requirement set forth in Section 5.5(b) (Issuer Not Listed On Specified Markets) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) and is also relying on the exemption from the minority approval requirement set forth in Section 5.7(b) of MI 61-101 (Fair Market Value Not More Than $2,500,000). Neither the Company nor to the knowledge of the Company after reasonable inquiry, any of the insiders participating in the Offering, has knowledge concerning any material information of the Company or its securities which has not been generally disclosed. A material change report is being filed in connection with the insider participation in the

Offering less than 21 days in advance of closing of the Offering, as the Company did not have prior confirmation of such participation.

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

The report is not being filed on a confidential basis.

Item 7. **<u>Omitted Information</u>**

No information has been omitted.

Item 8. **<u>Executive Officer</u>**

Dan Noone, Chief Executive Officer
416-628-5904

Item 9. **<u>Date of Report</u>**

DATED at Toronto, in the Province of Ontario, this 5th day of October, 2018.

SCHEDULE "A"

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

Sandy Lake Gold Inc. Announces Closing of Private Placement Financing to raise $282,000

FOR IMMEDIATE RELEASE

September 28, 2018 (Toronto, Ontario): Sandy Lake Gold Inc. ("**Sandy Lake**" or the "**Company**") (TSXV:SLAU) is pleased to announce that it has closed its previously announced non-brokered private placement (the "**Offering**") pursuant to which issued 4,700,000 units ("**Units**") at a price of $0.06 each to raise aggregate gross proceeds of $282,000.

Each Unit consists of one common share of the Company (a "**Share**") and one share purchase warrant (a "**Warrant**"), with each Warrant entitling the holder thereof to acquire one additional Share at an exercise price of $0.10 for a period of 36 months. Insiders of the Company subscribed for an aggregate of 3,700,000 Units in the Offering.

All securities issued and issuable in connection with the Offering are subject to a statutory hold period expiring on January 28, 2019. The Offering remains subject to the final approval of the TSX Venture Exchange.

For further information please contact:

Dan Noone
Interim Chief Executive Officer
(416) 628-5904
Email: info@sandylakegold.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy and / or accuracy of this release.

Forward Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Sandy Lake, including, but not limited to dependence upon regulatory and shareholder approvals, the proposed use of proceeds of the Offering and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.