FORM 51-102F3
Material Change Report

MATERIAL CHANGE REPORT UNDER SECTION 7.1 OF NATIONAL INSTRUMENT NO. 51-102

Item 1. **<u>Reporting Issuer</u>**

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

Item 2. **<u>Date of Material Change</u>**

A material change took place on February 11, 2019

Item 3. **<u>Press Release</u>**

On February 11, 2019, a news release in respect of the material change was disseminated by the Company.

Item 4. **<u>Summary of Material Change</u>**

The Company announced it had entered into an amending agreement dated effective February 11, 2019 (the "Amendment Agreement") in respect of its previously announced acquisition (the "Acquisition") of all of the issued and outstanding shares of Bartica Investments Ltd. ("Bartica") from Patrick Sheridan, Violet Smith, Shawn Hopkinson, Aisha Jean-Baptiste and Ayanna Jean-Baptiste (collectively, the "Vendors").

Item 5. **<u>Full Description of Material Change</u>**

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

The Company announced that it had entered into the Amending Agreement pursuant to which the consideration in respect of the Acquisition issuable to the Vendors (the "Share Consideration") was reduced from an aggregate of 100,000,000 common shares of the Company ("Common Shares") to an aggregate of 80,000,000 Common Shares, of which 48,000,000 Common Shares will be issuable to Patrick Sheridan, and 8,000,000 Common Shares will be issuable to each of the other four Vendors.

Mr. Patrick Sheridan, one of the Vendors, is an insider of the Company as he is currently a director, officer and a "control person" of the Company for the purposes of applicable securities legislation. Pursuant to the Acquisition, Mr. Sheridan will acquire beneficial ownership and control over an additional 48,000,000 Common Shares forming part of the Share Consideration (calculated without reference to the private placement to be completed by the Company prior to closing of the Acquisition to raise minimum gross proceeds of $450,000 (the "Private Placement")). As of February 11, 2019, prior to the closing of the Acquisition and Private Placement, Mr. Sheridan beneficially owns or controls an aggregate of 30,878,148 Common Shares and convertible securities entitling Mr. Sheridan to acquire an additional 23,410,000 Common Shares, representing approximately 29.6% of the Common Shares issued and outstanding as of February 11, 2019 (or 42.5% on a partially diluted basis assuming exercise of such convertible securities only). Following the completion of the Acquisition (but without reference to the Private Placement), Mr. Sheridan is expected to have beneficial ownership or control and direction over an aggregate of 78,878,148 Common Shares and convertible securities entitling Mr. Sheridan to acquire an additional 23,410,000 Common Shares, or approximately 42.8% of the issued and outstanding Common Shares then outstanding without reference to the Private Placement (or 49.3% on a partially diluted basis assuming exercise of such convertible securities only).

It is further anticipated that Mr. Sheridan will subscribe for $150,000 of the Private Placement, however in no circumstances will the shareholdings of Mr. Sheridan exceed 44.5% of the issued and outstanding Common Shares upon closing of the Acquisition and Private Placement, on a non-diluted basis. Further details regarding the Private Placement will be announced as soon as they become available.

The Acquisition was approved by the board of directors pursuant to directors' resolutions dated January 2, 2019. The Acquisition is exempt from the formal valuation requirements of applicable securities laws pursuant to subsection 5.5(b) of Multilateral Instrument 61-101 ("MI 61-101") as the securities of the Company are not listed on certain specified markets as set forth therein. The Acquisition remains subject to minority shareholder approval requirements pursuant to MI 61-101, and proposes to seek such approval at its upcoming annual and special meeting of shareholders scheduled to be held on February 12, 2019 (the "Meeting"). Further details regarding the Acquisition and Meeting are set forth in the management information circular of the Company dated as of January 8, 2019, available on SEDAR at www.sedar.com.

The Acquisition is being completed to add to the stable of property interests of merit of the Company. The closing dates of the Private Placement and Acquisition have not yet been established. The Private Placement and Acquisition remain subject to final regulatory approval and various other closing conditions.

Item 6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

The report is not being filed on a confidential basis.

Item 7. **Omitted Information**

No information has been omitted.

Item 8. **Executive Officer**

Patrick Sheridan

Item 9. **Date of Report**

DATED at Toronto, in the Province of Ontario, this 11th day of February, 2019.

SCHEDULE "A"

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sandy lake gold inc

SANDY LAKE GOLD REDUCES CONSIDERATION PAYABLE FOR ACQUISITION OF GUYANA PROPERTIES

TORONTO, February 11, 2019 -- Sandy Lake Gold Inc. ("Sandy Lake" or the "Corporation") (TSXV:SLAU) wishes to announce that it has entered into an amending agreement dated effective February 11, 2019 (the "Amendment Agreement") in respect of its previously announced acquisition (the "Acquisition") of all of the issued and outstanding shares of Bartica Investments Ltd. ("Bartica") from Patrick Sheridan, Violet Smith, Shawn Hopkinson, Aisha Jean-Baptiste and Ayanna Jean-Baptiste (collectively, the "Vendors").

Pursuant to the original agreement between the Corporation and the Vendors in respect of the Acquisition, the consideration for the transaction was to be the issuance to the Vendors of an aggregate of 100,000,000 common shares of the Corporation ("Common Shares") at a deemed price of $0.075 per share (the "Share Consideration"). Pursuant to the Amendment Agreement, the Share Consideration has been revised to be an aggregate of 80,000,000 Common Shares, of which 48,000,000 Common Shares will be issuable to Patrick Sheridan, and 8,000,000 Common Shares will be issuable to each of the other four Vendors.

Mr. Sheridan, one of the Vendors, is currently a director, officer and a "control person" of the Corporation for the purposes of applicable securities legislation, and beneficially owns or controls 30,878,148 Common Shares representing approximately 29.6% of the Common Shares issued and outstanding as of February 11, 2019. Pursuant to the Acquisition, Mr. Sheridan will acquire beneficial ownership and control over an additional 48,000,000 Common Shares which will result in Mr. Sheridan having beneficially ownership or control and direction overran aggregate of 78,878,148 Common Shares, or approximately 42.8% of the issued and outstanding Common Shares (calculated without reference to the private placement to be completed by the Corporation prior to closing of the Acquisition to raise minimum gross proceeds of $450,000).

All other terms of the Acquisition remain the same. For further details of the Acquisition, please refer to the press release of the Corporation dated February 1, 2019, available on SEDAR at www.sedar.com.

For further information please contact:

Patrick Sheridan
Executive Chairman & CEO
(416) 628-5904
Email: info@sandylakegold.com

Forward Looking Statements

This news release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "might", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information and/or statements. Forward-looking statements and/or information are based on a number of material factors, expectations and/or assumptions of Sandy Lake which have been used to develop such statements and/or information but which may prove to be incorrect. Although Sandy Lake believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements as Sandy Lake can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding, among other things: receipt of all applicable regulatory and shareholder approvals to complete the Acquisition; availability of financing (including with respect to the private placement to be completed by the Corporation prior to the Acquisition); and the timely receipt of any required regulatory approvals. The forward-looking information and statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such information and/or statements, including the assumptions made in respect thereof, involve known and unknown risks, uncertainties and other factors that may cause actual results and/or events to differ materially from those anticipated in such forward-looking information and/or statements including, without limitation: risks associated with the uncertainty of obtaining all applicable regulatory and shareholder approvals, the availability of financing and/or certain other risks detailed from time-to-time in Sandy Lake's public disclosure documents (including, without limitation, those risks identified in this news release and Sandy Lake's current management's discussion and analysis). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Corporation does not undertake any obligations to publicly update and/or revise any of the included forward-looking statements, whether as a result of additional information, future events and/or otherwise, except as may be required by applicable securities laws.

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