

This is the form of material change report required under Section 85(1) of the Securities Act.

**BC FORM 51-102F3**  
**(formerly Form 53-901F)**

Securities Act

**MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT**

**Item 1. Reporting Issuer**

Margaret Lake Diamonds Corp.  
Suite 2050 – 1055 West Georgia Street  
PO Box. 11121  
Vancouver, BC V6E 3P3

**Item 2. Date of Material Change**

April 22, 2014

**Item 3. Press Release**

Issued on April 22, 2014, at Vancouver, BC, Canada.

**Item 4. Summary of Material Change**

Margaret Lake Diamonds Inc. announces that it has received final approval from the TSX Venture Exchange (the "**Exchange**") for its Qualifying Transaction. Pursuant to an assignment agreement dated March 14, 2014 (the "**Assignment Agreement**") with Harsbo Minerals Inc. ("**Harsbo**"), Margaret Lake was granted the sole and exclusive option (the "**Option**") to acquire up to a seventy percent (70%) undivided interest in nineteen (19) mineral claims located in the Northwest Territories, Canada, known as the Margaret Lake Diamond Property (the "**Property**"), which Property lies contiguous and to the north and west of Kennady Diamonds Inc.'s Kennady North Project. In consideration of the assignment of the Option, on closing Margaret Lake issued Harsbo 6,000,000 escrow shares, releasable under the terms of a value escrow agreement. As a result of closing the Qualifying Transaction, the Company is no longer a Capital Pool Company, and has been listed as a "Tier 2" mining issuer on the Exchange. Trading in the shares of the Company will resume at the open tomorrow under the symbol "DIA". The Company will be actively engaged in the exploration of the Margaret Lake Diamond Property.

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

See attached press release.

**Item 6. Reliance on Section 85(2) of the Act**

N/A

**Item 7. Omitted Information**

None

**Item 8. Senior Officers**

The following senior officers of the Issuer are knowledgeable about the material change and may be contacted by the Commission at the address and telephone number:

Paul Brockington  
President, CEO & Director  
(604) 684-2181

Peeyush Varshney  
Director  
(604) 684-2181

**Item 9. Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

Dated this 22<sup>nd</sup> Day of April, 2014.

"Paul Brockington"

Paul Brockington

Name

President, CEO & Director

Position / Title

Vancouver, B.C.

Place of Declaration

# Margaret Lake Diamonds Inc.

2050-1055 West Georgia Street  
Vancouver, BC V6E 3P3

## MARGARET LAKE DIAMONDS INC. ANNOUNCES CLOSING OF QUALIFYING TRANSACTION AND RESUMPTION OF TRADING

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April 22, 2014

TSX Venture Exchange  
Trading Symbol: DIA

**Margaret Lake Diamonds Inc.** (the “**Company**” or “**Margaret Lake**”), is pleased to announce that it has received final approval from the TSX Venture Exchange (the “**Exchange**”) for its Qualifying Transaction. Pursuant to an assignment agreement dated March 14, 2014 (the “**Assignment Agreement**”) with Harsbo Minerals Inc. (“**Harsbo**”), Margaret Lake was granted the sole and exclusive option (the “**Option**”) to acquire up to a seventy percent (70%) undivided interest in nineteen (19) mineral claims located in the Northwest Territories, Canada, known as the Margaret Lake Diamond Property (the “**Property**”), which Property lies contiguous and to the north and west of Kennedy Diamonds Inc.'s Kennedy North Project. In consideration of the assignment of the Option, on closing Margaret Lake issued Harsbo 6,000,000 escrow shares, releasable under the terms of a value escrow agreement. As a result of closing the Qualifying Transaction, the Company is no longer a Capital Pool Company, and has been listed as a “Tier 2” mining issuer on the Exchange. Trading in the shares of the Company will resume at the open tomorrow under the symbol “DIA”. The Company will be actively engaged in the exploration of the Margaret Lake Diamond Property.

Coincident with the closing of the Qualifying Transaction, the Company received final Exchange approval to and closed a partially brokered and partially non brokered private placement of 9,000,000 non flow-through units (the “**NFT Units**”) at \$0.10 per NFT Unit and 3,000,000 flow-through shares (the “**FT Shares**”) at \$.10 per FT Share, for aggregate gross proceeds of \$1,200,000. Each NFT Unit is comprised of one (1) common share and one half (1/2) of a transferable share purchase warrant, each whole warrant (a “**Warrant**”) entitling the holder thereof to purchase one (1) additional common share in the Company for a period of two (2) years at an exercise price of \$0.25 per share. The Warrants have an accelerated exercise provision (the “**Acceleration Provision**”), whereby their expiry date will be reduced to 30 days in the event the Company's shares trade at \$0.50 or greater for ten (10) consecutive trading days. The Acceleration Provision will not be effective until October 22, 2014. Jordan Capital Markets Inc. (the “**Agent**”) acted as agent and was paid a cash commission of \$59,840. The Agent also received an Agent's option entitling it to purchase 848,000 non flow through units (the “**Agent's Units**”) at an exercise price of \$0.10 per Agent's Unit, exercisable for a two year period expiring April 22, 2016. The Agent's Units have the same terms as the NFT Units.

Pursuant to a loan agreement dated February 18, 2014 (the “**Loan Agreement**”), Paul Brockington, Margaret Lake's new President and Chief Executive Officer advanced \$204,000 as a loan to Harsbo, the proceeds of which were used to pay a deposit for an airborne gravity gradiometer and magnetic survey to be completed on the Margaret Lake Diamond Property. The Loan Agreement was assigned by Harsbo to Margaret Lake under an assignment and amendment agreement dated March 26, 2014 (the “**Loan Assignment Agreement**”). Pursuant to the terms of the Loan Assignment Agreement, Margaret Lake gave Paul Brockington a convertible promissory note, payable April 23, 2015, which loan shall carry interest of 9% per annum and be convertible into securities having the same terms as the NFT Units.

The Exchange has also approved the issuance of 500,000 finders' fee shares and the transfer within escrow of 600,000 shares from previous principals to Mr. Brockington, which transactions have also closed.

All securities issued by the Company pursuant to the Qualifying Transaction are subject to resale restrictions expiring on August 23, 2014.

The Company has filed a Filing Statement dated April 16, 2014 in respect of the Qualifying Transaction and a Technical Report dated March 27, 2014 by Gary Vivian, M.Sc.,P.Geo. on the Property on SEDAR.

In conjunction with the closing of the Qualifying Transaction, Paul Brockington has replaced Hari Varshney as President and Chief Executive Officer of the Company, Debbie Lew has replaced Hari Varshney as Chief Financial Officer and been appointed Corporate Secretary, Buddy Doyle has been appointed Vice President of Exploration and Thomas Hasek has been appointed Chief Operating Officer.

Messrs. Hari Varshney, Thomas Humphreys and Marco Strub have resigned as members of the Company's Board of Directors, and Messrs. Paul Brockington, Buddy Doyle, Mark Thompson and Darryl Sittler have been appointed as new directors, with Mr. Peeyush Varshney.

Mr. Brockington stated: "We are very pleased to be the newest diamond exploration listed issuer with a focus on a very prospective property, the Margaret Lake Diamond Property, located adjacent and to the north and west of the Kennedy North project. The Property is also proximal to the Gahcho Kue mine development of De Beers and Mountain Province Diamonds. Recent exploration results from Kennady Diamonds Ltd. has encouraged us to be aggressive in an exploration program deploying modern exploration techniques to identify potential kimberlite bodies within our project area. The focus of the upcoming program on the Margaret Lake Diamond Property will concentrate on the discovery and delineation of diamond-bearing kimberlite intrusive rocks. We believe the prospectivity of the Property to be good based on the extensive structural ground preparation underlying the Property and the occurrence of kimberlite indicator minerals. I am particularly pleased to welcome Buddy Doyle to our team, as a director and V.P of Exploration. Buddy has a wealth of experience in diamond exploration and has earned the distinction of having seen two substantial projects from discovery through the decision to mine. He brings the Company a disciplined, scientific approach to mineral exploration honed in over 28 years' experience. At Kennecott Canada, Buddy led the team that discovered the Diavik diamond deposits in 1994-1995. We have contracted CGG Canada Services Ltd. to conduct a Falcon airborne gravity gradiometer survey with magnetics. We expect the survey to commence in late May. Follow-up bathymetry to evaluate the airborne gravity targets under lakes will be undertaken in the summer. The Margaret Lake team looks forward to commencing the exploration program and I would like to take the opportunity to thank all those who assisted in completing the Qualifying Transaction in record time, including staff at the Exchange, our counsel at Boughton Law and our Agent, Jordan Capital Markets Inc."

Mr. Hari Varshney, outgoing President stated: "I wish to thank our loyal shareholders who waited for us to find what we consider an excellent opportunity. We have been impressed with Paul and his team, and look forward to the Company becoming a successful diamond exploration issuer."

The Company has granted directors, officers, employees and consultants 950,000 incentive stock options exercisable at a price of \$0.10 per share for a period of five years from the date of grant, in accordance with the Company's stock option plan.

On behalf of the Board of Directors  
**MARGARET LAKE DIAMONDS INC.**

"Paul Brockington"  
Paul Brockington, President, Chief Executive Officer and Director

For further information, please contact Paul Brockington at 604-684-2181.  
Qualified Person Statement

Technical information related to the Margaret Lake Diamond Property contained in this news release has been reviewed and approved by Thomas Hasek, P.Eng. a Qualified Person as defined by National Instrument 43-101.

*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 or accuracy of this release.*