

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

Item 1 Name and Address of Company

Steppe Gold Ltd.
90 Adelaide St. West, Suite 400
Toronto, Ontario M5H 3V9

Item 2 Date of Material Change

August 27, 2019

Item 3 News Release

The press release attached as Schedule "A" was released over GlobeNewswire on August 27, 2019.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule "A".

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Matthew Wood
Chairman, President and Chief Executive Officer
416-998-4149
mwood@steppegold.com

Item 9 Date of Report

September 5, 2019

Schedule “A”



STEPPE GOLD COMPLETES FINAL TRANCHE OF FINANCING AND PROVIDES UPDATE ON BOARD CHANGES

TORONTO, August 27, 2019 (GLOBE NEWSWIRE) – Steppe Gold Limited (TSX: STGO) (the “**Company**” or “**Steppe Gold**”) is pleased to announce that following the approval of shareholders of the Company at the special meeting of shareholders held on August 23, 2019 (the “**Special Meeting**”) it has completed the second and final tranche of its previously announced private placement (the “**Offering**”) issuing US\$3.04 million principal amount of 10% two year unsecured convertible debentures (“**Debentures**”) bringing the aggregate principal amount of debentures issued under the Offering to \$8.44 million.

The Debentures will bear interest from the date of closing at 10% per annum, calculated and payable semi-annually in arrears on June 30 and December 31 in each year, commencing on December 31, 2019 and will mature on August 27, 2021.

The Debentures will be unsecured obligations of the Company and rank pari passu in right of payment of principal and interest with all other Debentures issued under the Offering.

The Debentures will be convertible at the option of the holder into common shares of the Company at any time prior to the close of business on the maturity date at a conversion price of US\$0.52 (Approx. C\$0.70) per common share. The Company has the right to accelerate the conversion of the Debentures in the event the closing price of the common shares on the Toronto Stock Exchange exceeds C\$2.00 for any period of 30 consecutive trading days.

The Debentures and any Common Shares issuable upon conversion or exercise thereof, as applicable, will be subject to a statutory hold period lasting four months and one day following the date of issuance.

The Company is also pleased to confirm the election of Ms Sereenen Jargalan as a director of the Company at the Special Meeting and the subsequent appointment of Mr. Steve Haggarty to the Board, the nominee of the Company’s financing partner, Triple Flag Mining Finance.

With a mining career spanning nearly four decades, Mr Haggarty’s industry experience includes 24 years in operations and 14 years in corporate and EPCM-related roles. Most recently, Mr Haggarty was Senior Director, Metallurgy at Barrick Gold Corp. In this role, he was responsible

for operational performance improvements, defining GeoMet models, processing strategy and risk mitigation. Mr Haggarty has worked at multiple mine sites around the world, including as General Manager of Barrick Gold's Veladero heap leach project in Argentina. He is considered a technical leader in heap leach processing, implementation and optimization.

Following the election of Ms Jargalan and the appointment of Mr Haggarty, the Board is now comprised of Matthew Wood, Aneel Waraich, Bataa Tumur-Ochir, Patrick Michaels, Zamba Batjargal, Batkhoo Budnyam, Sereenen Jargalan and Steve Haggarty.

"We are very pleased to welcome Ms Jargalan and Mr Haggarty as new directors. Ms Jargalan is a very highly regarded expert in mineralogy and geology and she brings significant and deep technical mining expertise focused on Mongolia. Mr Haggarty brings a wealth of relevant technical and strategic mining experience to the Company. Both Ms Jargalan and Mr Haggarty are great additions to our team as we approach first gold production and progress the Feasibility Study for a proposed 150,000 oz gold per annum expansion at the ATO Project" said Matthew Wood, Chairman of Steppe Gold.

ABOUT STEPPE GOLD LTD.

Steppe Gold is a precious metals development company with an aggressive growth strategy to build Steppe Gold into the premier precious metals company in Mongolia. The Company owns 100% of the advanced staged Altan Tsaagan Ovoo Gold Project where a heap leach development has been completed.