

Form 51-102F3

**MATERIAL CHANGE REPORT UNDER SECTION 7.1(1) OF
NATIONAL INSTRUMENT 51-102 AND SECTION 5.2 OF
MULTILATERAL INSTRUMENT 61-101**

Item 1 Name and Address of Company

KWG Resources Inc. (the “Company”)
600 de Maisonneuve West
Suite 2750
Montreal, QC H3A 3J2

Item 2 Date of Material Change

October 23, 2013

Item 3 News Release

The news release will be disseminated through the facilities of CNW Group on November 6, 2013.

Item 4 Summary of Material Change

The Company has closed a second tranche of a private placement and issued 9,760,000 flow-through units for proceeds of \$488,000.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company has closed a second tranche of a private placement and issued 9,760,000 flow-through units (each, a “FT Unit”) for proceeds of \$488,000. Each FT Unit is comprised of one flow-through common share (“FT Share”) and one FT Share purchase warrant (“FT Warrant”) exercisable at \$0.10 to purchase a FT Share during a 36 month period. All securities issued are subject to a hold period expiring on February 24, 2014. The proceeds will be used for eligible flow-through exploration expenses and will be renounced for the 2013 taxation year.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

This report is not being filed on a confidential basis.

Item 7 Omitted Information

No information has been omitted.

Item 8 Executive Officer

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Luce L. Saint-Pierre
Corporate Secretary
(514) 866.6001 ext. 230

Item 9 Date of Report

November 4, 2013