

FIRST ENERGY METALS LIMITED
FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

FIRST ENERGY METALS LIMITED (the "Company")
1206 – 588 Broughton Street
Vancouver, BC V6G 3E3

Item 2: Date of Material Change

October 07, 2019

Item 3: News Release

The News Release was disseminated by CNW on October 7, 2019 and a copy filed on SEDAR.

Item 4: Summary of Material Change

First Energy Metals enters binding letter of intent and announces changes to its board of directors.

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

Vancouver, B.C. (**October 07, 2019**) – **First Energy Metals Ltd.** (CSE: FE) (the "**Company**") is pleased to announce that it has entered into a binding Letter of Intent ("LOI") with Muzhu Mining Ltd. ("Muzhu") a private corporation incorporated in British Columbia, to acquire all of its issued and outstanding shares (the "**Transaction**"), subject to the following conditions being met:

- Completion of a 43-101 compliant report on the Xiao Wa Gou Property.
- Completion of a debt or equity financing, of which terms will be announced in a subsequent news release.

Further details of the Transaction will be provided on or prior to completion of the above conditions and closing of the Transaction is subject to obtaining all required approvals, including the CSE and shareholder approval if required.

In addition, the Company is pleased to announce it has appointed Mr. Craig Alford to its Board of Directors. (the " Board") Concurrently, Mr. Muzaffar Sultan has resigned from the Board to focus on other business ventures. We thank Mr. Sultan for his contribution to the Company and wish him well in his future endeavors.

Mr. Alford is a professional Geoscientist with over 33 years of experience in mineral exploration and development. Throughout his career he has managed large exploration projects in North and South America, several Central Asian Republics, Russia, Australia and Africa. This experience has included independent consulting assignments, and positions within the management of major and junior company exploration companies.

More recently, Mr. Alford was the Deputy General Manager for one of China's largest mining companies, Zijin Mining Group of China, whereby his sole responsibility was to identify and assess projects for M & A. During his tenure there Mr. Alford met and negotiated with several Heads of State and many executives in the mining communities of China, Canada, Central Asia, Africa and Australia. During his time with Zijin several successful partnerships and acquisitions

were made by his division, specifically; the Kamoia Copper project with Ivanhoe Mines; the Porgera project with Barrick; the Taldybulak Mine in Kyrgyzstan and the Paddington Gold Mine in Western Australia.

Mr. Alford holds both an Honours Bachelor of Science and a Master of Science in Geology and is a Qualified Person under Canadian National Instrument 43-101. He has authored a number of technical reports for public companies and has been published in scientific journals in Europe and North American including Tectonophysics and the Journal of Structural Geology.

The Company also is pleased to announce it was added Mr. Anthony Tam to its advisory board, Mr. Tam holds Bachelor of Science in Engineering Physics and Mining Engineering from Queens University in addition to holding a Certified Public Accountant designation. Mr. Tam brings over 25 years of experience in the mining industry including numerous management positions with both public and private companies in North America and China. He has been successful in negotiating various joint venture agreements in China, along with conducting preliminary geological and engineering assessments of mineral properties.

Muzhu Mining Ltd.

Muzhu is an exploration mining company holding an option to acquire up to 80% of the silver-lead-zinc Xiao Wa Gou Property (the "Property") situated in the Xiayu Township, in the southwestern part of Luoning County, Henan Province, in the People's Republic of China.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable

Item 7: Omitted Information

Not applicable

Item 8: Executive Officer

Gurminder Sangha, President and Chief Executive Officer – Telephone: (604) 375-6005

Item 9: Date of Report

October 8, 2019