

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 – Name and Address of Company:

Idaho Champion Gold Mines Canada Inc. (the “Company”)
401 Bay Street, Suite 2702
Toronto, Ontario
M5H 2Y4

Item 2 – Date of Material Change:

July 8, 2020 and July 9, 2020

Item 3 – News Release:

News releases with respect to the material change referenced in this report were disseminated on July 8, 2020 and July 9, 2020 by the Company through the facilities of CISION and copies were subsequently filed on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

Item 4 – Summary of Material Change:

On July 8, 2020, the Company entered into a letter agreement with Beacon Securities Limited as lead underwriter on behalf of a syndicate of underwriters (collectively, the “**Underwriters**”), which agreement was subsequently amended pursuant to an amending letter agreement on July 9, 2020, pursuant to which the Underwriters agreed to purchase, on a “bought deal” basis, 23,400,000 units of the Company (the “**Initial Units**”) at a price of \$0.30 per unit (the “**Offering Price**”) for aggregate gross proceeds to the Company of \$7,020,000.00 (the “**Offering**”).

Item 5 – Full Description of Material Change:

On July 8, 2020, the Company entered into a letter agreement, as amended pursuant to an amending letter agreement on July 9, 2020, with the Underwriters, pursuant to which the Underwriters agreed to purchase, on a “bought deal” basis, 23,400,000 Units at the Offering Price for aggregate gross proceeds to the Company of \$7,020,000.00.

The Company also granted the Underwriters an over-allotment option (the “**Over-Allotment Option**”) enabling the Underwriters to purchase up to 3,510,000 additional units (together with the Initial Units, the “**Units**”) at the Offering Price. The Over-Allotment Option is exercisable in whole or in part, for a period ending 30 days from and including the closing date of the Offering, for additional gross proceeds of \$1,053,000.00. The aggregate gross proceeds of the Offering if the Over-Allotment Option is exercised in full would be C\$8,073,000.00.

Each Unit comprises one common share in the capital of the Company and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire one common share of the Company at a price of \$0.45 for a period of 36 months following the closing date of the Offering.

The Units will be offered by way of a short form prospectus to be filed in British Columbia, Alberta, Manitoba, Ontario and Québec (and such other Provinces as agreed between the Company and the Underwriters) and in those jurisdictions outside of Canada which are agreed to by the Company and the Underwriters, where the Units can be issued on a private placement basis, exempt from any prospectus, registration or other similar requirements.

The Units being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (“**U.S. Securities Act**”) and may not be offered or sold in the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from the registration requirements. The Units may be offered in the United States to Qualified Institutional Buyers (as defined in Rule 144A under the U.S. Securities Act) pursuant to exemptions from the registration requirements under rule 144A of the U.S. Securities Act.

The Offering is expected to close on or about July 30, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Canadian Securities Exchange.

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:

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

Contact: Jonathan Buick, President and Chief Executive Officer
Phone No: 416-569-7092

Item 9 – Date of Report:

July 15, 2020

Cautionary Note Regarding Forward-Looking Statements

This material change report includes forward-looking information and statements (collectively, “forward-looking statements”) regarding the Company and its business. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “is expected”, “expects”, “scheduled”, “intends”, “contemplates”, “anticipates”, “believes”, “proposes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are based on the current expectations of the management of the Company. The forward-looking statements discussed in this material change report, including statements regarding the completion of the Offering and the timing thereof, may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the Company, including risks regarding the cannabis industry, failure to obtain regulatory approvals, economic factors, the equity markets generally and risks associated with growth and competition. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward- looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.