

FORM 51-102F3

MATERIAL CHANGE REPORT
PURSUANT TO SECTION 7 OF NATIONAL INSTRUMENT 51-102

ITEM 1 **REPORTING ISSUER**
MUSGROVE MINERALS CORP.
8338-120th Street
Surrey, BC V3W 3N4

ITEM 2 **DATE OF MATERIAL CHANGE**

May 12, 2014

ITEM 3 **NEWS RELEASE**

News Release filed on SEDAR on May 12, 2014 and disseminated over news@baystreet.com and news@stockwatch.com on May 12, 2014.

ITEM 4 **SUMMARY OF MATERIAL CHANGE**

Adoption of advance notice policy and announcement of financing.

ITEM 5 **FULL DESCRIPTION OF MATERIAL CHANGE**

Surrey, British Columbia – May 12, 2014 – Musgrove Minerals Corp. (“Musgrove” or the “Company”) (TSX.V: MGS) announces the approval by its board of directors of an advance notice policy (the “**Advance Notice Policy**”) regarding director elections, as described below. The Company also announces a proposed private placement financing.

ADVANCE NOTICE POLICY

The purpose of the Advance Notice Policy is to provide a clear process for the shareholders, directors and management to follow when nominating directors of the Company. Such a policy will ensure that shareholders receive adequate notice of director nominations and sufficient information regarding all director nominees and to allow shareholders to register an informed vote after having been afforded reasonable time for appropriate deliberation.

The Advance Notice Policy, among other things, includes a provision that requires advance notice to the Company in certain circumstances where nominations of persons for election to the board of directors are made by shareholders of the Company. This Advance Notice Policy also sets a deadline by which director nominations must be submitted to the Company prior to any annual general or special meeting of the shareholders and also sets out the required information that must be included in the notice to the Company. No person will be eligible for election as a director of the Company unless nominated in accordance with the Advance Notice Policy.

In the case of an annual general meeting of the shareholders, notice to the Company must be made not less than 30 days and not more than 65 days prior to the date of the annual general meeting. If the annual general meeting is being held on a date that is less than 50 days following the date on which the first public announcement of the meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual general meeting) called for the purpose of electing directors, notice to the Company must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the

special meeting was made. Notwithstanding the foregoing, the board of directors may, in its sole discretion, waive any requirement of the Advance Notice Policy.

The Advance Notice Policy is in effect as at the date of this news release and the Company intends to seek shareholder approval to amend the Company's articles to incorporate the provisions of the Advance Notice Policy at the Company's next annual general meeting of shareholders (the "**Shareholders' Meeting**") the particulars of which are still to be determined.

A full description of the Advance Notice Policy will be contained in the information circular to be prepared for the Shareholders' Meeting and mailed to the Company's shareholders. A copy of the Advance Notice Policy is available on SEDAR under the Company's profile at www.sedar.com.

FINANCING

The Company also announces that it is arranging a non-brokered private placement of up to 1,000,000 shares at a price of \$0.15 per share for gross proceeds of up to \$150,000 (the "Financing").

The net proceeds of the Financing will be used for general working capital.

The Financing is subject to TSX Venture Exchange acceptance. Finder's fees may be payable in connection with the Financing.

The shares will be subject to a four-month hold period in accordance with TSX-V policies and applicable securities legislation.

ITEM 6 RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102

N/A

ITEM 7 OMITTED INFORMATION

N/A

ITEM 8 EXECUTIVE OFFICER

Rana Vig, President & CEO, Tel: 604 633 2442

ITEM 9 DATE OF REPORT

Dated at Surrey, B.C. this 15th day of May, 2014.