

## EARLY WARNING REPORT

Made Pursuant To  
NATIONAL INSTRUMENT 62-103 – *The Early Warning System and Related Take-Over Bid and  
Insider Reporting Issues*

RELATING TO THE ISSUANCE OF SECURITIES IN THE CAPITAL OF  
SGX RESOURCES INC. (THE “ISSUER”)

**1. The name and address of the offerors.**

7097914 Manitoba Ltd.  
c/o B Asset Manager, LP  
1370 Avenue of the Americas, 32<sup>nd</sup> Floor  
New York, New York 10019  
 (“Offeror”)

**2. The designation and number or principal amount of securities and the Offeror’s securityholding percentage in the class of securities of which the Offeror acquired ownership or control in the transaction or occurrence giving rise to the reporting obligation and whether it was ownership or control that was acquired in those circumstances.**

On June 22, 2015, the Offeror acquired (the “Acquisition”) ownership and control over 43,047,256 common shares of the Issuer (the “Common Shares”), representing approximately 31.8% of the issued and outstanding Common Shares.

**3. The designation and number or principal amount of securities and the Offeror’s securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the reporting obligation.**

As a result of the Acquisition, the Offeror now owns and controls 43,047,256 Common Shares, representing approximately 31.8% of the issued and outstanding Common Shares.

**4. The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which:**

- (i) **the Offeror, either alone or together with any joint actors, has ownership and control;**

The Offeror, as nominee of the principal secured creditors of San Gold Corporation (“San Gold”), owns and exercises control over 43,047,256 Common Shares, representing approximately 31.8% of the issued and outstanding Common Shares.

- (ii) **the Offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the Offeror or any joint actor; and**

Not applicable.

- (iii) **the Offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

5. **The name of the market in which the transaction or occurrence that gave rise to the reporting obligation.**

Not applicable - the Acquisition was carried out pursuant to terms of the Asset Purchase Agreement (as defined below).

6. **The value, in Canadian dollars, of any consideration offered per security if the Offeror acquired ownership of a security in a transaction or occurrence giving rise to the reporting obligation.**

The 43,047,256 Common Shares were acquired at a price of \$0.0055 per Common Share.

7. **The purpose of the Offeror and any joint actors in effecting the transaction or occurrence that gave rise to the reporting obligation, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

The Common Shares were acquired as partial satisfaction of the outstanding debt owed by San Gold to its principal secured creditors. The Offeror does not intend at this time to acquire additional securities of the Corporation, but may acquire such additional securities either on the open market or through private acquisitions in the future depending on market conditions, reformulation of plans and/or other relevant factors.

8. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the Offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the reporting obligation, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities.**

The Offeror and San Gold entered into an asset purchase agreement dated effective June 10, 2015 (the "**Asset Purchase Agreement**") pursuant to which the Offeror, as nominee for San Gold's principal secured creditors, agreed to acquire all of the assets of San Gold (the "**Purchased Assets**"), which included the Common Shares, subject to certain limited exceptions. The purchase price of the Purchased Assets was satisfied by the Offeror assuming all of the liabilities of San Gold owing to its secured creditors as well as certain other liabilities.

9. **The names of any joint actors in connection with the disclosure required in this report.**

The principal secured creditors of San Gold include B Asset Holdings LLC, Beechwood Re and other secured lenders to San Gold represented by B. Asset Manager, LP. The filing of this report is not an admission that an entity named herein owns or controls any described securities or is a joint actor with another named entity.

- 10. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value, in Canadian dollars of the consideration paid by the Offeror.**

See items 6 above.

- 11. If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities.**

Not applicable.

- 12. If applicable, a description of the exemption from securities legislation being relied on by the Offeror and the facts supporting that reliance.**

Not applicable.

- 13. Additional information.**

In this report, for the purpose of calculating the percentage of Common Shares acquired, the Offeror has assumed that there are 135,194,169 Common Shares issued and outstanding, as reported in the management's discussion and analysis of the Issuer for the three month period ended March 31, 2015.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]**

DATED this 24<sup>th</sup> day of June, 2015 .

**7097914 MANITOBA LTD.**

Per: (signed) "Danny Saks"  
*Authorized Signatory*