

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Kestrel Gold Inc. (the “Corporation”)
#208, 110 – 12 Avenue S. W.
Calgary, Alberta, T2R 0G7

Item 2 Date of Material Change

June 21, 2017

Item 3 News Release

The Corporation issued its press release on June 22, 2017 through the facilities of Marketwired.

Item 4 Summary of Material Change

The Corporation closed its non-brokered private placement of 6,000,000 units at a price of \$0.10 per unit for gross proceeds of \$600,000.

Item 5 Full Description of Material Change

See the attached press release.

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

To obtain further information, contact Kevin Nephin, President of the Corporation at (604) 799-2456

Item 9 Date of Report

June 27, 2017

NEWS RELEASE

KESTREL GOLD INC. ANNOUNCES CLOSING OF PRIVATE PLACEMENT

June 22, 2017: Mr. Kevin Nephin, President and CEO of Kestrel Gold Inc. (the “**Corporation**” or “**Kestrel**”) (TSX-V: KGC) is pleased to announce that the Corporation has closed its non-brokered private placement (the “Private Placement”) of 6,000,000 units of the Corporation (the “Units”) at a price of \$0.10 per Unit, for gross proceeds of \$600,000. Each unit consists of one common share (“Common Share”) and one common share purchase warrant (“Warrant”), each Warrant entitling the holder to purchase one common share of the Corporation (the “Warrant Share”) at a price of \$0.15 per Warrant Share, at any time until June 21, 2019. The Common Shares and Warrants are subject to a statutory four month hold period, which expires October 22, 2017. Finder’s fees were paid in cash in the amount of 8% of the gross proceeds and in Finder’s Warrants in the amount equal to 8% of the number of Units sold to subscribers who have been introduced to the Corporation by the Finder.

The proceeds of the private placement will be to pay finders’ fees of \$37,560, for exploration activities in the amount of \$315,000 and up to \$247,440 for general working capital.

About Kestrel Gold Inc.

Kestrel Gold Inc. holds a 100% interest in the King Solomon’s Dome project and has options to earn a 100% interest in four gold projects totaling approximately 5,700 hectares located within the Yukon portion of the Tintina Gold Belt, as well as four copper-gold projects in British Columbia, Canada, north of the Red-Chris copper-goldmine, totaling approximately 7,200 hectares. Numerous mineralized occurrences exist on these various properties and each has an excellent data base from previous work. Kestrel’s proposed 2017 work programs will focus on further enhancing the value of these projects.

For further information contact:
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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking information within the meaning of applicable securities laws. Such information includes, without limitation, information regarding the anticipated use of proceeds of the private placement. Although the Corporation believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking information is typically identified by words such as “believe”, “expect”, “anticipate”, “intend”, “estimate” and similar expressions, or are those, which, by

their nature, refer to future events. The Corporation cautions investors that any forward-looking information provided by the Corporation are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking information as a result of various factors, including, but not limited to, the state of the financial markets for the Corporation's equity securities; the state of the market for minerals that may be produced; market volatility; variations in the nature, quality and quantity of mineral deposits that may be located; the Corporation's ability to obtain any necessary permits, consents or authorizations required for its activities; the Corporation's ability to raise the necessary capital or to be fully able to implement its business strategies; and other risks associated with the exploration and development of mineral properties.