

**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**

May 3, 2022

**Item 3 News Release**

The Corporation issued its news release on May 4, 2022 through the facilities of AccessWire.

**Item 4 Summary of Material Change**

The Corporation entered into an arm’s length options agreement under which the Corporation may earn a 100% interest in the 1,855 hectare Fireweed project located in central British Columbia, 53 kilometres northeast of Smithers BC, between the villages of Granisle and Smithers Landing.

**Item 5 Full Description of Material Change**

See the attached news 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 Robert Solinger, President of the Corporation at (403) 816-2141

**Item 9 Date of Report**

May 11, 2022

**NEWS RELEASE**

**Kestrel Gold – Options Fireweed Project in British Columbia**

**Calgary, AB, May 4, 2022: Kestrel Gold Inc. (“Kestrel” or the “Corporation”, TSX-V: KGC)** is pleased to announce it has entered into an arm’s length option agreement under which Kestrel may earn a 100% interest in the 1,855 hectare Fireweed project located in central British Columbia, 53 kilometres northeast of Smithers BC, between the villages of Granisle and Smithers Landing.

**Fireweed Highlights:**

- Results from drilling conducted in 1988 include hole 88-22: 12.5 metres averaging 534.9 g/t Ag, 1.79% Pb and 3.07% Zn and hole 88-29: 4.0 metres averaging 1.71 g/t Au, 140.8 g/t Ag, 5.37% Pb, 18.82% Zn and 0.5% Cu.
- A 1989 mineral resource estimate of 580,000 tonnes averaging 342 g/t Ag, 1.3% Pb and 2.2% Zn was reported for the West Zone, one of the 9 targets at Fireweed. This resource estimate predates NI 43-101, is considered historical in nature and Kestrel is not treating the estimate as a current mineral resource.
- Drill programs completed subsequent to the 1989 resource estimate continued to yield positive results including hole FW06-04: 5.5 metres averaging 1.43 g/t Au, 116.2 g/t Ag, 2.3% Pb, 7.08% Zn and 1.15% Cu; hole FW10-1: 12.3 metres averaging 1.12 g/t Au, 99.0 g/t Ag, 3.75% Pb, 6.43% Zn and 0.26% Cu; FW11-4: 15.1 metres averaging 444.4 g/t Ag, 1.3% Pb and 2.5% Zn.
- The project is located within the Skeena Arch, a long lived magmatic arc that comprises some of the most richly endowed terrain in British Columbia.
- The inferred geologic setting: nascent arc, bimodal (basalt-rhyolite), submarine, rift related, is similar to that proposed for classic Kuroko and Eskay Creek type VMS deposits.
- Sulphides occur within breccia zones, as replacements, and as banded layers resembling volcanogenic massive sulphide (“VMS”) type mineralization, over a 5.5 kilometre strike length within Cretaceous age Skeena Group sediments and volcanics.
- The project has excellent road access, is located approximately 55 kilometres north of the BC Power Grid and CN Railway Line, and approximately 320 kilometres by road from the deep sea port at Kitimat BC.

Location map showing project outline, zones and the existing road system.

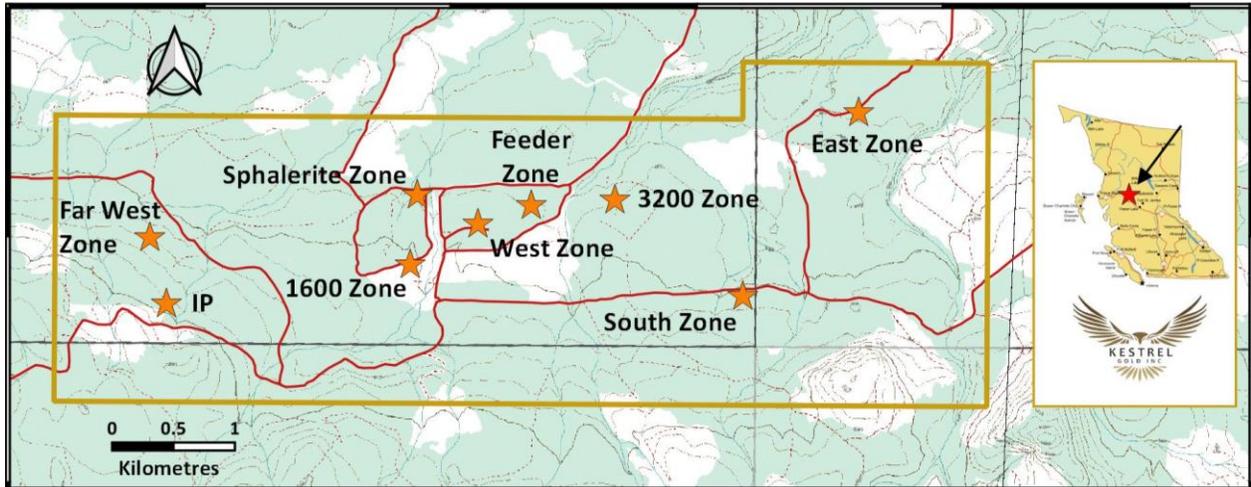


Table of select drill results from historical Fireweed drilling.

Hole	Year	From (m)	To (m)	Interval* (m)	Au g/t	Ag g/t	Cu %	Pb %	Zn %
88-08	1988	94.00	98.00	4.0	NR	587.5	NR	1.01	2.11
88-22	1988	56.00	68.50	12.5	NR	534.9	NR	1.79	3.07
88-24	1988	67.70	78.40	10.7	NR	402.7	NR	0.97	1.93
88-29	1988	56.50	60.50	4.0	1.71	140.9	0.50	5.37	18.82
88-41	1988	110.80	118.70	7.9	NR	575.3	NR	2.26	3.02
88-42	1988	126.40	137.20	10.8	NR	351.4	NR	1.35	2.14
06-01	2006	107.50	112.10	4.6	NR	482.0	NR	1.36	2.80
06-04	2006	102.00	107.50	5.5	1.43	116.2	1.15	2.30	7.08
and	2006	124.30	126.70	2.4	3.18	108.0	0.59	1.87	11.66
10-01	2010	98.00	110.30	12.3	1.12	99.0	0.26	3.75	6.43
10-03	2010	66.11	72.21	6.1	1.87	115.3	NR	2.91	16.11
11-02	2011	27.00	35.00	8.0	NR	449.0	NR	1.60	2.20
11-03	2011	30.00	45.60	15.6	NR	328.4	NR	0.89	1.90
11-04	2011	26.10	41.20	15.1	NR	444.4	NR	1.30	2.50
11-05	2011	75.30	90.60	15.3	NR	374.1	NR	1.10	1.90

\* Quoted intervals on this table and in the above bullets are core length, true widths are unknown.  
 NR: Value for that element was not reported by previous operators and is presumed to be nil.

The reader is cautioned that the drill results as well as the 1989 resource estimate found within the above table and bullets pre-date NI 43-101 and are therefore historical in nature. Although the historical resource estimate is thought to be relevant, a Qualified Person has not done sufficient work to classify the historical estimate as a current mineral resource.

### Agreement Terms

To exercise the option and earn a 100% interest in the project, Kestrel will issue 1,500,000 common shares, 100,000 due on signing, make cash payments totalling \$250,000, \$10,000 due on signing, and complete a minimum of \$375,000 of exploration work, \$75,000 by the first anniversary of signing, over a five-year term. The Property is subject to a 2% NSR, capped at 5 million dollars, due to Terry Eldridge while Regulus Resources Inc. is due a 0.5% NSR that increases to 1.5% upon the Eldridge NSR being paid out. Kestrel shall also make the following bonus payments to the optionor: within 30 days of Kestrel receiving a report pertaining to the Property that details a mineral deposit or deposits that individually or in aggregate exceed

1,250,000 tonnes in size in the total Inferred Mineral Resource or greater category (as such term is defined in National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”), Kestrel shall pay to the optionor \$0.025 (2.5 cents) per oz of contained silver to a maximum of \$200,000; Kestrel will also issue and deliver to the optionor 1,000,000 shares or \$200,000, at the sole discretion of the optionor, on a decision to place the Property into commercial production.

Closing of the option agreement is subject to final acceptance by the TSXV. No finder’s fee is payable in relation to this transaction.

Rob Solinger, President and CEO of Kestrel, states: “Fireweed represents an excellent addition to Kestrel’s property portfolio and fits well within our mandate which is to advance several prospective targets simultaneously. It also helps broaden our metal exposure which is important given widespread commodity price increases and the outlook for metals such as zinc and copper. A preliminary review of historical exploration data suggests good potential to expand the West Zone resource estimate by incorporating drill intercepts that post-date the estimate as well as further drilling of the zone which appears open for expansion. At least 8 other targets on the project including the Sphalerite, Feeder, South, 1600, East, 3200, IP and Far West are incompletely tested and further work is warranted at these sites. Plans are to compile historical exploration data and to conduct a preliminary site assessment in late May. Based on the results of this work we may continue exploration or seek a joint venture partner to expedite development.”

#### **Qualified Person**

Derek Torgerson P.Geo., a Qualified Person as defined by National Instrument 43-101, has reviewed and approved the technical information contained in this news release.

#### **About Kestrel Gold**

Kestrel Gold Inc. is a gold exploration company headquartered in western Canada. The Corporation is focused on gold exploration within the Canadian Cordillera, with an emphasis on hardrock targets located in placer gold mining districts. Kestrel is listed on the TSX Venture exchange under the symbol KGC. Readers are encouraged to refer to the Corporation’s website “[www.kestrelgold.com](http://www.kestrelgold.com)” for further information.

#### **Forward-Looking Statements**

The information and statements in this news release contain certain forward-looking information. This forward-looking information relates to future events or the Corporation’s future performance including exploration activity that could take place on the Corporation’s properties or projects. This forward-looking information is subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking information. The Corporation’s forward-looking information is expressly qualified in its entirety by this cautionary statement. Except as required by law, the Corporation undertakes no obligation to publicly update or revise any forward-looking information.

NEITHER THE 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.

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