

GALWAY METALS INC.

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

GALWAY METALS INC.
82 Richmond Street East, Suite 200,
Toronto, Ontario
M5C 1P1

Item 2. Date of Material Change

December 21, 2017

Item 3. News Release

The News Release was disseminated on December 21, 2017 via Marketwired.

Item 4. Summary of Material Change

Galway Metals announces \$501,000 non-brokered private placement for a total of \$5.1 million in proceeds and director resignation.

Item 5. Full Description of Material Change

For further information, attached hereto is a copy of the News Release.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Executive Officer

Robert Hinchcliffe
President & Chief Executive Officer
1-800-771-0680

Item 9. Date of Report

December 21, 2017



82 Richmond Street East, Suite 200
Toronto, ON M5C 1P1

Tel: 800-771-0680
Fax: 416-361-0923

Galway Metals Announces \$501,000 Non-Brokered Private Placement for a Total Of \$5.1 Million in Proceeds and Director Resignation

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES

(Toronto, Ontario, December 21, 2017) – Galway Metals Inc. (TSX-V: GWM) (the “Company”) is pleased to announce that it has completed a non-brokered private placement financing (the “Offering”). The Offering consisted of the sale of 860,000 Hard Dollar Units (“**HD Units**”) at a price of \$0.35 per HD Unit and 465,116 Flow Through Units (“**FT Units**”) at a price of \$0.43 per FT Unit for total gross proceeds of \$501,000. This is in addition to the closing of two earlier financings totaling \$4.6 which were announced on [November 14, 2017](#) and [November 27, 2017](#).

Each HD Unit consists of one (1) common share in the capital stock of Galway Metals (each a “Share”) and one-half (1/2) of one Share purchase warrant (a “Warrant”). Each FT Unit consists of one (1) Flow Through Share and one-half (1/2) of one Warrant. Each Warrant will entitle the holder to purchase one Share at the price of \$0.50 for a period of 24 months after closing. If the closing price on the TSX Venture Exchange equals or exceeds \$0.75 per Share for a period of 20 consecutive trading days, the Company has the right to accelerate the expiry date of the Warrants to the 30th day following the company mailing a notice of acceleration.

The \$301,000 in HD Units were subscribed by Fonds de solidarité FTQ, which is a development capital investment fund that channels the savings of Quebecers into investments. As at May 31, 2017, the organization had \$13.1 billion in net assets, and through its current portfolio of investments has helped create and protect 186,440 jobs. The Fonds is a partner in more than 2,700 companies and has 645,664 shareholder-savers. For more information: www.fondsftq.com.

In connection with the Offering, Michael Sutton an officer and a Director of the Company, has acquired 465,116 FT Units. This issuance of FT Units to Mr. Sutton is considered a “related party transaction” as such term is defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements provided under MI 61-101 on the basis that participation in the Offering by Insiders does not exceed 25% of the fair market value of the Company's market capitalization.

The securities issued and issuable pursuant to the Offering will be subject to a four month and one-day statutory hold period. Galway Metals intends to use net proceeds from the Offering to complete field work on its Estrades and Clarence Stream properties in western Québec, Canada and New Brunswick, Canada, respectively.

The Company also announces the resignation of Robb Doub from the Board of Directors but we are pleased to announce that Mr. Doub will remain involved with the company in his capacity as an advisor.

Robert Hinchcliffe, President and CEO stated, “The Board of Directors and management would like to thank Mr. Doub for his contribution to the Company. His experience and advice has been very important to the advancement of Galway Metals and we are very grateful. We look forward to continuing to rely on Robb for his invaluable insights as an advisor. The Company is presently reviewing a short-list of potential Board candidates and we expect to add a new member in the coming weeks.”

For further information, please contact: Galway Metals Inc.
Robert Hinchcliffe
1-800-771-0680 www.galwaymetalsinc.com

CAUTIONARY STATEMENT: 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 of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

This news release contains forward-looking information, which is not comprised of historical facts. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes statements made herein with respect to, among other things, the Company's objectives, goals or future plans, potential corporate and/or property acquisitions, exploration results, potential mineralization, exploration and mine development plans, timing of the commencement of operations, and estimates of market conditions. Factors that could cause actual results to differ materially from such

forward-looking information include, but are not limited to, exploration results being less favourable than anticipated, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, risks associated with the defence of legal proceedings and other risks involved in the mineral exploration and development industry, as well as those risks set out in the Company's public disclosure documents filed on SEDAR. Although the Company believes that management's assumptions used to develop the forward-looking information in this news release are reasonable, including that, among other things, the Company will be able to identify and execute on opportunities to acquire mineral properties, exploration results will be consistent with management's expectations, financing will be available to the Company on favourable terms when required, commodity prices and foreign exchange rates will remain relatively stable, and the Company will be successful in the outcome of legal proceedings, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information contained herein, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.