

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Golden Tag Resources Ltd.
22 Adelaide Street West, Suite 2020
Toronto, ON M5H 4E3

Item 2 Date of Material Change

August 14, 2020.

Item 3 News Release

The press release attached as Schedule "A" was released over GlobeNewswire on August 14, 2020.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule "A".

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule "A".

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Greg McKenzie
President & CEO
Golden Tag Resources Ltd.
416-504-2024
info@goldentag.ca

Item 9 Date of Report

August 14, 2020

SCHEDULE "A"



Golden Tag Completes \$7.0 Million Oversubscribed Non-Brokered Private Placement Led by Eric Sprott and Announces Director Appointment

Toronto, Ontario, August 14, 2020: Golden Tag Resources Ltd. ("**Golden Tag**" or the "**Company**") (TSX.V: GOG) is pleased to announce that the Company has closed the non-brokered private placement offering (the "**Private Placement**", or "**Financing**") announced on July 28, 2020. The Company issued 25,000,000 Units and the Financing was oversubscribed, for aggregate gross proceeds of \$7.0 Million. Mr. Eric Sprott, through 2176423 Ontario Ltd., a corporation beneficially controlled by him, subscribed for 42.8% or 10,700,550 Units in the Private Placement.

Greg McKenzie, President and CEO commented, "We are pleased with the overwhelming support in this capital raise and are keen to move forward with the advancement of the Company's 100% owned San Diego Project, as well as other strategic opportunities. Our strong balance sheet places the Company in a position to evaluate opportunities that can sometimes be unavailable to junior companies. Also, we would like to welcome Mr. Dwayne Melrose to our board of directors, replacing David Rigg who stepped down at the annual general meeting held on August 4, 2020. We thank David for his contributions as a valuable board member for many years including being instrumental in the discovery of the Fernadez Zone at San Diego."

Board Appointment

On August 4, 2020, Mr. Dwayne Melrose was elected to the Company's board of directors, replacing David Rigg. Mr. Melrose has over 30 years of international experience ranging from senior management, mine finance and permitting, mine development and exploration in Central Asia, China, Africa, and North and South America. He was former President and CEO of True Gold Mining, where the company progressed from pre-PEA and Bankable Feasibility Study thru to a completely financed and permitted project that went into construction in under 4 years. As former President and CEO of Gold Reach Resources, he took the company through to completion of a positive PEA on the company's copper project. He joined Minco Silver as VP of Exploration in China, pre-PEA through Bankable Feasibility Study and was part of the team which was awarded the China Mining Explorer of the Year. As the Exploration Manager at the Kumtor Gold Mine in Kyrgyzstan, he was instrumental in the discovery of the high grade SB Zone as mine reserves increased by +7 M oz.

The Private Placement

Each Unit was priced at \$0.28 and consists of one (1) common share in the capital of the Company ("**Common Share**") and one-half of one (0.5) Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant shall entitle the holder thereof to acquire one (1) Common Share at a price of C\$0.40 for 24 months following the closing of the Private Placement, whereupon the Warrants expire. The Warrants contain an acceleration provision whereby if the closing price of the Common

Shares on the TSX Venture Exchange is \$0.70 or more for 10 consecutive trading days the Company will have the right to accelerate the expiry date of the Warrants (the “**Acceleration Provision**”).

In connection with the Private Placement, eligible finders, including Red Cloud Securities Inc., PI Financial Corp., PowerOne Capital Markets Limited, Canaccord Genuity Corp. and Haywood Securities Inc., were paid an aggregate cash commission of C\$345,756 and an aggregate of 1,198,130 finder's warrants (the “**Finder's Warrants**”). Each Finder's Warrant shall entitle the holder thereof to acquire one (1) Common Share at a price of C\$0.28 for 24 months following the closing of the Private Placement, subject to the Acceleration Provision.

The securities issued and issuable pursuant to the Financing will be subject to a four month and one day hold period. The Company intends to use the net proceeds of the Financing to fund advancement of the Company's 100% owned San Diego Project, in Durango Mexico, and for working capital and general corporate purposes.

The Private Placement remains subject to TSX Venture Exchange (the “**TSXV**”) final acceptance.

Additional Mandated Disclosure Respecting Mr. Sprott's Investment in the Company

Eric Sprott, through 2176423 Ontario Ltd., a corporation which is beneficially owned by him, acquired 10,700,550 Units pursuant to the Private Placement. After closing of the Private Placement, Mr. Sprott now beneficially owns or controls 29,326,482 Common Shares and 13,628,075 Common Share purchase warrants representing approximately 18.6% on a non-diluted basis and 25.2% on a partially diluted basis assuming exercise of all pre-existing warrants. Prior to the Offering, Mr. Sprott beneficially owned or controlled 18,625,932 Common Shares and 8,277,800 Common Share purchase warrants. Mr. Sprott has signed an undertaking not to exercise his warrants until such time as the Company can obtain disinterested shareholder approval of the creation of a new control person, which is required once Mr. Sprott passes the 20% ownership threshold. The Company has agreed to call a shareholders' special meeting within 6 months of the closing of the Private Placement, at which time such approval will be sought.

The Units were acquired by Mr. Sprott, through 2176423 Ontario Ltd. for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Company including on the open market or through private acquisitions or sell securities of the Company including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors. A copy of 2176423 Ontario Ltd.'s early warning report will appear on the Company's profile on SEDAR and may also be obtained by calling 416-945-3294 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J1).

Mr. Sprott is an insider of the Company and as such, his participation in connection with the Private Placement is a related-party transaction under the policies of the TSXV and Multilateral Instrument 61-101 -- Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). The Company is relying on exemptions from the minority shareholder approval and formal valuation requirements applicable to the related-party transactions under sections 5.5(a) and 5.7(1)(a), respectively, of MI 61-101, as neither the fair market value of the shares to be purchased on behalf of Mr. Sprott nor the consideration to be paid by him exceeds 25% of the Company's market capitalization. The Company did not file a material change report in respect of the related-party transaction at least 21 days prior to the closing of the Private Placement, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Private Placement in an expeditious manner.

About Golden Tag Resources

Golden Tag Resources Ltd. is a junior exploration company exploring for high-grade silver deposits. The Company holds a 100% interest in the San Diego property in Durango State, Mexico. The San Diego property is located within the Velardeña Mining District, the site of several mines having produced silver, zinc, lead and gold over the past century. For more information regarding the San Diego property please visit our website at www.goldentag.ca. Golden Tag has no debt and is well funded with cash balances of approximately \$9.0 million.

For additional information, please contact:

Greg McKenzie, President & CEO
Ph: 416-504-2024
Email: info@goldentag.ca
www.goldentag.ca

Cautionary Statement:

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

Certain statements in this news release are forward-looking and involve a number of risks and uncertainties. Such forward-looking statements are within the meaning of the phrase 'forward-looking information' in the Canadian Securities Administrators' National Instrument 51-102 – Continuous Disclosure Obligations. Forward-looking statements are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information 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, but is not limited to, the Company's intentions regarding its objectives, goals or future plans and statements. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to: the ability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains; failure to identify mineral resources; failure to convert estimated mineral resources to reserves; the inability to complete a feasibility study which recommends a production decision; the preliminary nature of metallurgical test results; delays in obtaining or failures to obtain required governmental, environmental or other project approvals; political risks; changes in equity markets; uncertainties relating to the availability and costs of financing needed in the future; the inability of the Company to budget and manage its liquidity in light of the failure to obtain additional financing; inflation; changes in exchange rates; fluctuations in commodity prices; delays in the development of projects; capital, operating and reclamation costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry; and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, 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, whether as a result of new information, future events or otherwise, other than as required by law. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.