

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

Item 1 Name and Address of Company

Kerr Mines Inc.
18 King Street East, Suite 902
Toronto, Ontario
M5C 1C4

Item 2 Date of Material Change

April 15, 2019.

Item 3 News Release

The news release attached as Schedule "A" was disseminated on April 15, 2019.

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

Claudio Ciavarella
Executive Vice Chairman
cciavarella@kerrmines.com
416-855-9305

Item 9 Date of Report

April 15, 2019.

Schedule "A"

Kerr Mines Appoints Bonifacio as CEO and Announces Closing of Private Placement

TORONTO, April 15, 2019 -- **Kerr Mines Inc.** ([TSX: KER](#), [OTC: KERMF](#), [FRA: 7AZ1](#)) (“Kerr” or the “Company”) is very pleased to announce that Mr. Giulio T. Bonifacio has assumed the position of Chief Executive Officer in addition to his current role as Director. As part of this transition, Mr. Claudio Ciavarella will assume the role of Executive Vice Chairman and will work closely with Mr. Bonifacio to advance the Company’s Copperstone Mine project to production.

Mr. Bonifacio was the Founder, President and Director of Nevada Copper since its inception in 2005 until his retirement in 2018. Over this 13-year period, he led and directed efforts at every stage of Nevada Copper’s development which included resource expansion, feasibility studies, successful permitting of both the underground and open pit deposits and the initial construction phase at the Pumpkin Hollow project located in Nevada. Pumpkin Hollow is currently targeted to commence production in Q4 2019.

Over his 30 years of experience in senior executive roles in the mining industry, Mr. Bonifacio has raised directly over US\$500 million in capital through equity and project debt financings for projects of merit as well as being involved in corporate transactions aggregating in excess of US\$1 billion. Mr. Bonifacio is a Chartered Professional Accountant with extensive experience and knowledge of operations, project finance, capital markets and mergers and acquisitions.

Giulio T. Bonifacio, Chief Executive Officer stated: “I look forward to working with the Board and Management to advance Copperstone to commercial production in the near term. Copperstone is well advanced with permits, 14,000 feet of underground development, an existing 600 ton/day mill and infrastructure, all of which will lead to very manageable capital requirements while also allowing for a shortened construction period. I am also very excited about the multi-million ounce exploration potential of the project which has not been fully tested and explored.”

Fahad al Tamimi, Chairman stated “I would like to welcome the appointment of Mr. Bonifacio as our Chief Executive Officer. Giulio has the knowledge, experience and belief in this project to lead us forward and take the next important steps to achieving our strategic objectives.”

“I would like to thank Mr. Ciavarella for his dedication to advancing the Company over the past two years, the Company has taken great strides during this time. We look forward to Claudio’s continued involvement as a Board member and major shareholder of the Company.”

Private Placement

The Company has completed a non-brokered private placement offering of 3,350,000 units of the Company (“Units”) at a price of CDN\$0.14 per Unit for gross proceeds of CDN\$469,000 (the “Offering”). Mr. Bonifacio subscribed for 3,000,000 Units of the Offering and Peter Damouni, a director of the Company, subscribed for 350,000 Units of the Offering.

Each Unit consists of one common share of the Company (a “Common Share”) and one Common Share purchase warrant (a “Warrant”). Each Warrant entitles the holder thereof to purchase one Common Share at a price of CDN\$0.21 per Common Share until April 15, 2021 provided that if, at any time the Common Shares trade on a stock exchange at a volume weighted average trading price of CDN\$0.30, or greater, per Common Share for a period of 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company.

The securities issued and issuable pursuant to the Offering will be subject to a four month and one day statutory hold period. The Company intends to use the net proceeds from the Offering for continued mineral exploration and development and for general working capital purposes.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or applicable state securities laws, and may not be offered or sold to persons in the United States absent registration or an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The issuance and sale of Units under the Offering to Mr. Bonifacio and Mr. Damouni, as insiders of the Company, constituted related party transactions within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by each insider will not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Offering in an expeditious manner.

About Kerr Mines Inc.

Kerr Mines is an Emerging [American Gold Producer](#) currently advancing the 100% owned, fully permitted past-producing [Copperstone Mine](#) project to production. Copperstone is a high-grade [gold project](#) located along a detachment fault mineral belt in mining-friendly Arizona. This [gold project in Arizona](#) demonstrates tremendous exploration potential targeting multi-million ounce targets within a 50 square kilometer (12,260 acres) land package.

For further information contact:

Claudio Ciavarella
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416-855-9305

Cautionary Note Regarding Forward Looking Statements

This news release contains forward-looking statements, including current expectations of the commencement of production and the rate of production, if commenced and exploration potential. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, the strength of the Canadian economy; [the price of gold](#); operational, funding, and liquidity risks; the degree to which [mineral resource estimates](#) are reflective of actual mineral resources; and the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with underground operations. Risks and uncertainties about Kerr Mines' business are more fully discussed in the Company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Kerr Mines assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law. Neither TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release and no stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.