

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 – Name and Address of Company:

Diamond Fields Resources Inc. (the “**Company**” or “**DFR**”)
Lot 223, Le Mahe
Beau Vallon, Mauritius
50810

Item 2 - Date of Material Change:

June 26, 2020

Item 3 – News Release:

A news release dated June 26, 2020 was disseminated via CNW. A copy of the news release has been filed on SEDAR and is available at www.sedar.com.

Item 4 – Summary of Material Change:

On June 26, 2020, the Company announced that it has amended its cooperation agreement dated May 16, 2019 (the “**Amended Agreement**”) with TMH Acquisition Co (“**TMH**”), a special purpose vehicle established by Denham Mining Fund LP, to advance the Company’s Beravina project in Madagascar (“**Beravina**” or the “**Project**”).

Item 5 – Full Description of Material Change:

5.1 Full Description of Material Change

On June 26, 2020, the Company announced that it has amended its cooperation agreement dated May 16, 2019 with TMH, a special purpose vehicle established by Denham Mining Fund LP, to advance the Company’s Project in Madagascar.

The Amended Agreement requires DFR to undertake the next phase of work, which involves a high-resolution magnetic drone survey, the development of digital elevation models and limited groundwork (“**Phase 1**”) with the aim of locating potential new mineral deposits and extensions to the existing deposit. If successful, the Company will then engage in a drilling campaign on the Project (“**Phase 2**”) to be completed by 30 November 2020. DFR has committed to spend between US\$250,000 and US\$350,000 in connection with such activities, subject to ongoing positive results. If DFR has not completed Phase 1 and commenced Phase 2 by 30 September 2020 (unless extended by DFR in certain circumstances), the Amended Agreement will terminate.

The Amended Agreement extends the time available for TMH to exercise its option to acquire the Project in light of this new work program. Pursuant to the Amended Agreement, TMH will have until 31 December 2020 to continue to exercise its option to acquire the Beravina project, which may be extended by three (3) months through an advance payment (on the Option exercise price) of US\$250,000.

As previously communicated, TMH has the option (the “**Option**”) to acquire 100% of the Project in consideration of:

- A. a net payment of US\$2,200,000; and
- B. a nine percent (9%) sales royalty;

but pursuant to the Amended Agreement it must also reimburse DFR for the amount for expenditures incurred by DFR in connection with this new Phase 1 and Phase 2 work.

The remaining terms of the Amended Agreement remain the same as those disclosed by DFR in its press release dated 16 May 2019.

As per DFR’s last announcement of 29 May 2020, the results on the Beravina deposit drill programme executed by TMH, totalling to 13 diamond core drill holes and aggregating 906.16 metres of drilling, will be announced by DFR shortly.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 - Omitted Information:

Not applicable.

Item 8 – Executive Officer:

For further information, please contact Jean Lindberg Charles at (604) 283-7185 or jcharles@diamondfields.com.

Item 9 – Date of Report:

July 3, 2020