

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

Item 1 Name and Address of Company

Gem International Resources Inc.
3467 Commercial Street
Vancouver, BC V5N 4E8

Item 2 Date of Material Change

May 18, 2018.

Item 3 News Release

The press release attached as Schedule "A" was released over GlobeNewswire on May 18, 2018.

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

John W. Barr
Interim CEO
Gem International Resources Inc.
+61 (0) 400 322 828

Item 9 Date of Report

May 24, 2018.

Schedule "A"

GEM INTERNATIONAL ANNOUNCES PROPOSED SHARE CONSOLIDATION

Vancouver - May 18, 2018 – Gem International Resources Inc. ("**Gem International**" or the "**Corporation**") (TSXV: GI) announces that it is proposing to consolidate its issued and outstanding common shares (the "**Common Shares**") on the basis of up to one (1) post-consolidation Common Share for every ten (10) pre-consolidation Common Shares (the "**Consolidation**"). Additional information relating to the proposed Consolidation is included in the management information circular of the Corporation dated April 24, 2018 (the "**Circular**"), which is available on the Corporation's issuer profile on SEDAR at www.sedar.com.

The Corporation mailed the Circular with respect to its special meeting of shareholders (the "**Shareholders**") scheduled for May 29, 2018 (the "**Meeting**"). As part of the Meeting, Shareholders will be asked to approve a special resolution to amend the articles of the Corporation in order to implement the Consolidation. There are currently 58,265,539 Common Shares issued and outstanding. If and upon the Consolidation becoming effective, on a maximum one (1) for ten (10) basis, it is expected there will be approximately 5,826,553 post-Consolidation Common Shares in the capital of the Corporation issued and outstanding on a non-diluted basis.

The newly elected board of directors of the Company (the "**Board**") has concluded that the Consolidation would be in the best interest of the Shareholders as it could lead to increased interest by a wider audience of potential investors and could better position the Corporation to obtain financing. Notwithstanding the foregoing, the Board may determine not to implement the Consolidation at any time after the Meeting and after receipt of necessary regulatory approvals, but prior to the issuance of a certificate of amendment, without further action on the part of the Shareholders. If the resolution approving the Consolidation is passed by Shareholders at the Meeting, the Board shall have until the next annual meeting of Shareholders to implement the Consolidation in its sole discretion. Notwithstanding approval of the Consolidation by the Shareholders, the Board, in its sole discretion, may revoke the resolution approving the Consolidation and abandon the Consolidation without further approval, action by, or prior notice to Shareholders. The Consolidation is subject to Shareholder and regulatory approval, including the approval of the TSX Venture Exchange.

In connection with the share consolidation, the Corporation will be changing its name to Norseman Capital Ltd.

For further information, please contact:

John W. Barr
Interim Chief Executive Officer
T: +61 (0) 400 322 828

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.

Caution concerning forward-looking statements: The information in this release may contain forward-looking information under applicable securities laws. This forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking information. Factors that may cause actual results to vary include, but are not limited to, inaccurate assumptions concerning the exploration for and development of mineral deposits, political instability, currency fluctuations, unanticipated operational or technical difficulties, changes in laws or regulations, the risks of obtaining necessary licenses and permits, changes in general economic conditions or conditions in the financial markets and the inability to raise additional financing. Readers are cautioned not to place undue reliance on this forward-looking information. Gem International does not assume the obligation to revise or update his forward-looking information after the date of this release or to revise such information to reflect the occurrence of future unanticipated events except as may be required under applicable securities laws.

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