

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Star Diamond Corp. (the "Corporation" or "Star Diamond")
600, 224 – 4th Avenue South
Saskatoon, SK S7K 5M5

2. Date of Material Change

October 25, 2018

3. News Release

A news release disclosing in detail the material summarized in this material change report was disseminated through the facilities of Cision Canada on October 25, 2018 and filed on the System for Electronic Document Analysis and Retrieval ("SEDAR").

4. Summary of Material Change

On October 25, 2018, the Corporation announced that the Saskatchewan Ministry of Environment ("Ministry") has approved the Corporation's Star - Orion South Diamond Project ("the Project"), located in the Fort à la Corne diamond district of central Saskatchewan, Canada, on mineral dispositions held 100 percent by Star Diamond.

5. Full Description of Material Change

5.1 Full Description of Material Change

On October 25, 2018, the Corporation announced that the Ministry has approved the Project, located in the Fort à la Corne diamond district of central Saskatchewan, Canada, on mineral dispositions held 100 percent by Star Diamond.

The Environment Minister of Saskatchewan Dustin Duncan announced approval for the Project under *The Environmental Assessment Act*, indicating the "The Star-Orion South Diamond Mine is a major development with the potential to bring jobs to the area and diversify Saskatchewan's economy." The Canadian Environment Assessment Agency previously announced a positive federal Environmental Assessment Decision for the Project.

The Ministry has indicated that they conducted a thorough environmental assessment for the Project, including a detailed environmental impact statement, and carried out in-depth consultation prior to the decision to approve the Project. This included fulfilling the Province's duty to consult responsibility. The Government of Saskatchewan consulted with local First Nations and Métis communities and has developed accommodations that will address potential adverse impacts to Treaty rights and traditional uses. Prior to proceeding with the Project, further provincial and municipal permits and approvals will be required.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on subsection 7.1(2) of NI 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For further information, please contact Mr. Kenneth E. MacNeill, President and Chief Executive Officer at (306) 664-2202.

9. Date of Report

October 31, 2018