

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

New Found Gold Corp. (“**New Found**” or the “**Company**”)
Suite 1430, 800 West Pender Street
Vancouver, B.C.
Canada V6C 2V6

Item 2: Date of Material Change

November 17, 2021

Item 3: News Release

A news release was disseminated on November 17, 2021 through Canada Newswire and a copy was subsequently filed on SEDAR.

Item 4: Summary of Material Change

On November 17, 2021, New Found provided an update regarding the non-brokered private placement with Mr. Eric Sprott for 5 million common shares of New Found issued on a flow-through basis (the “**FT Shares**”), at a price of C\$9.60 per FT Share, for gross proceeds of C\$48 million (the “**Offering**”). The Company has agreed with Mr. Eric Sprott that the Common Shares will qualify as “flow-through shares” within the meaning of subsection 66(15) of the *Income Tax Act* (Canada). All other terms of the Offering remain the same. The Offering brings Mr. Sprott’s beneficial ownership percentage in the Company to approximately 22% of the issued and outstanding common shares on a non-diluted basis upon completion of the Offering.

Item 5.1: Full Description of Material Change

On November 17, 2021, New Found provided an update regarding the non-brokered private placement with Mr. Eric Sprott for 5 million Common Shares, at a price of C\$9.60 per FT Share, for gross proceeds of C\$48 million. The Company has agreed with Mr. Eric Sprott that the FT Shares will qualify as “flow-through shares” within the meaning of subsection 66(15) of the *Income Tax Act* (Canada). All other terms of the Offering remain the same. The Offering brings Mr. Sprott’s beneficial ownership percentage in the Company to approximately 22% of the issued and outstanding common shares on a non-diluted basis upon completion of the Offering.

Mr. Sprott currently beneficially owns 31,601,200 common shares of New Found. Upon closing of the Offering, Mr. Sprott will beneficially own 36,601,200 common shares of New Found. Due to his share ownership, Mr. Sprott is considered a “related party” of New Found and, accordingly, the Offering constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 (“**MI 61-101**”). The Offering was exempt from the minority approval requirement of Section 5.6 and the formal valuation requirement of Section 5.4 of MI 61-101 as neither the fair market value of the Offering, nor the fair market value of the consideration of the Offering, exceeded 25% of New Found’s market capitalization. This material change report was filed less than 21 days before the closing of

the Offering. This shorter period is reasonable and necessary in the circumstances as the Company wished to complete the Offering in a timely manner.

The Offering was approved by the directors of the Company and no materially contrary view was expressed nor was there any material disagreement in the approval process adopted by the directors. The Offering is subject to the satisfaction of customary closing conditions, including the approval of the TSX Venture Exchange (the “TSXV”). The Offering is expected to close on November 24, 2021.

Any securities issued pursuant to the Offering will be subject to a hold period under applicable Canadian securities laws, which will expire four months plus one day from the date of closing of the Offering. A 1% finders’ fee is payable in connection with the Offering.

The gross proceeds of the Offering will be used by the Company to incur eligible “Canadian exploration expenses” that will qualify as “flow-through mining expenditures” as such terms are defined in the *Income Tax Act* (Canada) related to the Company’s Queensway Project located in Newfoundland, Canada and on the Company’s Lucky Strike Project located in Ontario.

Item 5.2: Disclosure of Restructuring Transactions

Not applicable.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

For further information, please contact Craig Roberts, Chief Executive Officer and Director of the Company at 604.562.9664 or croberts@newfoundgold.ca.

Item 9: Date of Report

November 17, 2021.