FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. – Name and Address of Reporting Issuer

Newmarket Gold Inc. ("**Newmarket**")
1820 – 999 West Hastings Street
Vancouver, BC V6C 2W2
Canada

Item 2. – Date of Material Change

May 11, 2015

Item 3. – News Release

The news release was disseminated on May 11, 2015 through the facilities of Marketwired and a copy was subsequently filed on SEDAR at www.sedar.com. A copy of the news release is attached to this report.

Item 4. – Summary of Material Change

On May 11, 2015, Newmarket and Crocodile Gold Corp. ("**Crocodile Gold**") announced that they had entered into a definitive arrangement agreement (the "**Arrangement Agreement**"), pursuant to which, among other things, Newmarket and Crocodile Gold have agreed, subject to certain conditions as set out in the Arrangement Agreement, to amalgamate the two companies by way of a court-approved plan of arrangement (the "**Arrangement**") under the *Business Corporations Act* (Ontario). Upon completion of the Arrangement, the combined company is expected to be named Newmarket Gold Inc. ("**NewCo**"). Prior to the effective time of the Arrangement, Newmarket will continue out of British Columbia into Ontario. The completion of the Arrangement is subject to certain conditions as set out in the Arrangement Agreement, including, among other things, approval from each of the Newark shareholders and the Crocodile Gold shareholders.

Pursuant to the Arrangement, each Newmarket shareholder will receive 0.2 of a NewCo common share ("**NewCo Share**") for each Newmarket common share ("**Newmarket Share**") held. Each Crocodile Gold shareholder will have the option to elect to receive consideration per Crocodile Gold share ("**Crocodile Gold Share**") of (i) 0.2456 of a NewCo Share, or (ii) C$0.37 in cash, subject to a maximum aggregate cash consideration of C$20 million (the "**Crocodile Gold Consideration**"). The exchange ratios expressed above are intended to reflect a notional 5 for 1 consolidation of each 1.228 Crocodile Gold Share and 1.0 Newmarket Share outstanding on the date the Arrangement is completed.

In connection with the proposed Arrangement, Newmarket has entered into an agreement with GMP Securities L.P. on behalf of a syndicate of underwriters, including BMO Capital Markets as co-lead underwriter, to complete a private placement of subscription receipts (the "**Subscription Receipts**") for gross proceeds of no more than C$25 million (the "**Private Placement**") at a price per Subscription Receipt to be determined in the context of the market. The gross proceeds from the Private Placement will be deposited and held in escrow and shall be released immediately prior to the completion of the Arrangement upon satisfaction of certain conditions on or before August 31, 2015.

Item 5.1 – Full Description of Material Change

On May 11, 2015, Newmarket and Crocodile Gold announced that they had entered into the Arrangement Agreement, pursuant to which, among other things, Newmarket and Crocodile Gold have agreed, subject to certain conditions as set out in the Arrangement Agreement, to amalgamate the two companies by way of a court-approved plan of arrangement under the *Business Corporations Act* (Ontario). Upon completion of the Arrangement, the combined company is expected to be named "Newmarket Gold Inc."

Prior to the effective time of the Arrangement, Newmarket will continue out of British Columbia into Ontario. The completion of the Arrangement is subject to certain conditions as set out in the Arrangement Agreement, including, among other things, approval from each of the Newark shareholders and the Crocodile Gold shareholders. The Arrangement Agreement includes customary deal protection provisions, including fiduciary-outs in specified circumstances, a right to match in favour of Newmarket, and non-solicitation provisions in favour of Newmarket. A termination fee in the amount of C$4,000,000 will be paid to Newmarket, should the Arrangement Agreement not be completed in certain circumstances.

Pursuant to the Arrangement, each Newmarket shareholder will receive 0.2 of a NewCo Share for each Newmarket Share held. Each Crocodile Gold shareholder will have the option to elect to receive consideration per Crocodile Gold Share of (i) 0.2456 of a NewCo Share, or (ii) C$0.37 in cash, subject to the maximum of C$20 million available to satisfy the Crocodile Gold Consideration. The exchange ratios expressed above are intended to reflect a notional 5 for 1 consolidation of each 1.228 Crocodile Gold Share and 1.0 Newmarket Share outstanding on the date the Arrangement is completed.

Pursuant to the Arrangement all Crocodile Gold convertible securities outstanding at the effective time the Arrangement is completed (the "**Effective Time**") will continue to be outstanding in accordance with their terms and will be exercisable or convertible for the number of NewCo Shares the holder thereof would have been entitled to receive pursuant to the Arrangement had such holder exercised or converted prior to the Effective Time and elected to receive the share consideration, being 0.2456 of a NewCo Share. All Newmarket convertible securities outstanding at the Effective Time will continue to be outstanding in accordance with their terms other than (i) certain options to acquire Newmarket Shares that are exercisable at greater than $0.40, which shall be cancelled at the Effective Time for no consideration, and (ii) certain broker warrants, which shall be exchanged for replacement broker warrants providing the holder thereof with the right to exercise the warrants and receive NewCo Shares.

In the case of options to purchase Crocodile Gold Shares, after the Effective Time each option will retain the same strike price per notional Crocodile Gold Share but will entitle the holder thereof to 0.2456 of a NewCo Share on exercise. Similarly each warrant to purchase Crocodile Gold Shares outstanding at the Effective Time will thereafter represent a right to acquire 0.2456 NewCo Shares at the existing exercise price of such warrant.

In the case of Crocodile Gold convertible debentures outstanding at the Effective Time, convertible debentureholders will retain a right to convert each C$1,000 held in debentures at C$0.25 into 982.4 NewCo Shares, being 4,000 Crocodile Shares multiplied by the share consideration of 0.2456 of a NewCo Share for each Crocodile Share.

In connection with the proposed Arrangement, Newmarket has entered into an agreement with GMP Securities L.P. on behalf of a syndicate of underwriters, including BMO Capital Markets as co-lead underwriter, to complete a private placement of Subscription Receipts for gross proceeds of no more than C$25 million at a price per Subscription Receipt to be determined in the context of the market. The gross proceeds from the Private Placement will be deposited and held in escrow and shall be released immediately prior to the completion of the Arrangement upon satisfaction of certain conditions on or before August 31, 2015.

Each Subscription Receipt will entitle the holder thereof to ultimately receive one NewCo Share in connection with the completion of the Arrangement. Up to C$20 million of the proceeds of the Private Placement will be used to fund the Crocodile Gold Consideration payable to Crocodile Gold shareholders who elect to receive cash in connection with the Arrangement and the remainder will be used to bolster the working capital position of NewCo upon completion of the Arrangement.

The cash component of the Crocodile Gold Consideration will be funded from the proceeds of the Private Placement. Assuming full proration, on completion of the Arrangement and Private Placement financing,

it is anticipated that NewCo will have approximately 134 million NewCo Shares issued and outstanding and approximately C$40 million in cash on hand.

Based on the closing price of the Newmarket Shares on the TSX Venture Exchange of C$0.30 on May 8, 2015, the Crocodile Gold Consideration represents an offer price of C$0.37 per Crocodile Gold Share which is a premium of 37% to the closing price of Crocodile Gold Shares of C$0.27 on the Toronto Stock Exchange on May 8, 2015 and a premium of 52.5% based on the volume weighted average prices of each respective company for the period comprising the 20 trading days ended on May 8, 2015.

Following the completion of the Arrangement, existing Newmarket shareholders will hold approximately 5.8% of NewCo Shares on a fully diluted in-the-money basis. Newmarket warrantholders will hold approximately 2.9% of NewCo Shares assuming all warrantholders opt to convert their warrants into Newmarket Shares immediately prior to the Effective Time at an aggregate exercise price of approximately C$7,000,000. Existing Crocodile Gold shareholders will hold approximately 80.0% of NewCo Shares on a fully diluted in-the-money basis assuming all debentureholders opt to convert their debentures into Crocodile Gold Shares immediately prior to the Effective Time with the remaining 11.3% to be held by investors participating in the Private Placement which is expected to provide an additional C$25,000,000 of funds. Management and directors of Newmarket intend to subscribe for up to an aggregate of approximately C$7.9 million in the Private Placement.

All funds remaining to the account of Newmarket and Crocodile Gold on satisfying the Crocodile Consideration will be retained by NewCo as additional working capital.

The management team of NewCo is expected to include:

- Raymond Threlkeld: Non-Executive Chairman (Newmarket)
- Douglas Forster, M.Sc., P.Geo.: President and Chief Executive Officer (Newmarket)
- Rodney Lamond, P.Eng.: Chief Operating Officer (Crocodile Gold)
- Blayne Johnson: Executive Vice-President (Newmarket)
- Robert Dufour, CA, CPA: Chief Financial Officer (Crocodile Gold)

The senior management team will further be comprised of existing management from both companies.

The board of directors of NewCo will be comprised of seven directors, with five directors nominated by Newmarket (including the Non-Executive Chairman and President and Chief Executive Officer) and two directors nominated by Crocodile Gold. The nominated directors include Raymond Threlkeld, Douglas Forster, Lukas Lundin, Randall Oliphant, Blayne Johnson, Robert Getz and another director to be nominated by Crocodile Gold.

The Arrangement is expected to close in the third quarter of 2015.

Item 5.2 – Disclosure of Restructuring Transaction

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:

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President & Chief Executive Officer
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Item 9. – Date of Report

May 19, 2015

Cautionary Note Regarding Forward Looking Information

Certain information set forth in this material change report contains "forward-looking statements", and "forward-looking information" under securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements, which include Newmarket's expectations about the completion of the Arrangement and Private Placement, and the intended participation of management and directors of Newmarket in the Private Placement, the composition of the Board of Directors of NewCo and its senior executive team. Some of the forward-looking statements may be identified by words such as "will", "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Newmarket, Crocodile Gold or NewCo's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: liabilities inherent in mine development and production; geological, mining and processing technical problems; NewCo's inability to obtain required mine licences, mine permits and regulatory approvals required in connection with mining and mineral processing operations; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rates; currency and interest rate fluctuations; various events that could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions; the demand for and availability of rail, port and other transportation services; the ability to secure adequate financing, the risk that management and directors of Newmarket may not ultimately participate in the private placement to the extent anticipated, and management's ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Newmarket undertake no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.