

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

Item 1 Name and Address of Company

Continental Gold Inc.
155 Wellington Street West, Suite 2920
Toronto, Ontario M5V 3H1

Item 2 Date of Material Change

May 10, 2017 and May 18, 2017

Item 3 News Release

A news release was disseminated on May 11, 2017 through the facilities of Marketwired and subsequently filed on SEDAR. A subsequent news release was disseminated on May 18, 2017 through the facilities of Marketwired and subsequently filed on SEDAR.

Item 4 Summary of Material Change

On May 11, 2017, the Company announced that Newmont Mining Corporation ("**Newmont**") had agreed to purchase 37.38 million common shares of the Company at a price of C\$4.00 per share for a total investment of US\$109 million in a non-brokered private placement (the "**Newmont Private Placement**"). Concurrently with Newmont's investment in Continental, RK Mine Finance Master Fund I Limited ("**Red Kite**") also agreed to purchase 8.59 million common shares of the Company on a private placement basis at a price of C\$4.00 per share for a total investment of US\$25 million, as contemplated in Continental's secured project credit facility (the "**Credit Facility**") with Red Kite. On May 18, 2017, the Company announced that it had closed its previously-announced private placements to Newmont and Red Kite.

Item 5 Full Description of Material Change

On May 11, 2017, Continental announced that Newmont had agreed to purchase 37.38 million common shares of the Company at a price of C\$4.00 per share for a total investment of US\$109 million in a non-brokered private placement. Concurrently with the Newmont Private Placement, Red Kite also agreed to purchase 8.59 million common shares of the Company on a private placement basis at a price of C\$4.00 per share for a total investment of US\$25 million, as contemplated in the Credit Facility with Red Kite. After giving effect to the Private Placements, Newmont and Red Kite own approximately 19.9% and 4.6%, respectively, of the issued and outstanding common shares of Continental on a non-diluted basis.

In connection with the Newmont Private Placement, Newmont and Continental entered into a binding Investment Agreement, the provisions of which include (subject to certain exceptions and qualifications):

- a standstill until the earlier of June 30, 2020 and the date the Buriticá project goes into commercial production;
- a twelve-month lock-up on share dispositions;
- participation rights in any future equity financings to maintain pro rata ownership interest;

- 'backstop rights' to subscribe for any unsold portion of future equity financings;
- a right of first offer for any non-equity financing greater than US\$30 million;
- the formation of joint management technical, exploration, and sustainability committees; and
- one seat for a Newmont nominee on the Continental Board of Directors (and a second seat if Newmont's ownership percentage increases to 25% in accordance with the Investment Agreement).

Newmont and Continental will also form a strategic alliance to evaluate opportunities to partner on exploration of Continental's other properties in Colombia.

The foregoing description is only a summary of certain material terms of the Investment Agreement and is qualified in its entirety by the complete text of the Investment Agreement, which will be available under Continental's profile on SEDAR at www.sedar.com.

The Company intends to use the proceeds of Newmont's investment to develop the Buriticá project and such proceeds satisfy the funding condition required to draw the second tranche of US\$100 million under the Credit Facility.

On May 18, 2017, the Company announced that it had closed its previously-announced private placements to Newmont and Red Kite.

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

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Ari Sussman, Chief Executive Officer, (416) 583-5610

Item 9 Date of Report

May 19, 2017

Forward-Looking Statements

This report contains or refers to forward-looking information under Canadian securities legislation, including statements regarding the development of the Buriticá project, advancing the Buriticá project, the formation of joint management technical, exploration and sustainability committees with Newmont, the appointment of a Newmont nominee on the Continental Board of Directors, the strategic partnership between Newmont and Continental and future plans and objectives of the Company, and is based on current expectations that involve a number of significant business risks and uncertainties. Forward-looking statements are subject to other factors that could cause actual results to differ materially from expected results. Readers should not place undue reliance on forward-looking statements. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, an inability to advance the Buriticá project to the next level, failure to convert estimated mineral resources to reserves, capital and operating costs varying significantly from estimates, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental,

environmental or other project approvals, political risks, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, Newmont terminating the Investment Agreement and the other risks involved in the mineral exploration and development industry. Specific reference is made to the most recent Annual Information Form on file with Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements. All of the forward-looking statements made in this report are qualified by these cautionary statements, and are made as of the date hereof. The Company assumes no responsibility to update them or revise them to reflect new events or circumstances other than as required by law.