

## FORM 51-102F3

### MATERIAL CHANGE REPORT

#### 1. Name and Address of Corporation

Carpathian Gold Inc. (“**Carpathian**” or the “**Corporation**”)

36 Toronto Street, Suite 1000

Toronto, Ontario M5C 2C5

#### 2. Date of Material Change

May 9, 2016.

#### 3. News Release

The news release with respect to the material change referred to in this report was released through Marketwired on May 9, 2016. A copy of the news release is filed on the system for electronic document analysis and retrieval (SEDAR).

#### 4. Summary of Material Change

Carpathian Gold Inc. announces cornerstone investment from Forbes and Manhattan.

#### 5. Full Description of Material Change

The Corporation has agreed to a private placement into the Corporation whereby Forbes & Manhattan Resources Inc. (“**Forbes**”) and its associated entities will subscribe to a private placement (the “**Private Placement**”) of units (the “**Units**”) for a minimum amount of ten million dollars (CAD\$10,000,000) to advance its Rovina Valley Gold Project in Romania.

Rovina is the second largest gold deposit in Europe holding measured and indicated resources of 7.2 million ounces of gold and 1.4 billion lbs of copper. Rovina is only 17km from Eldorado Gold’s rapidly developing Certej gold project. The Corporation and its board of directors believe that the Private Placement will provide it with both significant funding for its Rovina Valley Project and that Forbes’ involvement will bring significant financial depth as well as the management expertise that will be required going forward.

Guy Charette, Carpathian's Interim Chief Executive Officer, stated "We are extremely excited about this opportunity and our future involvement with Forbes and our Rovina Valley Project." Scott Moore, Chief Operating Officer of Forbes, added "Forbes has a long track record of identifying and unlocking value in gold projects globally such as Sulliden Gold in Peru, Avion Gold in Mali, and in Brazil, Desert Sun Mining and more recently Belo Sun Mining. We are excited to be involved in a project such as Rovina and look forward to unlocking the value for all Carpathian shareholders. Forbes's in house engineering, geological and metallurgical expertise has decades of experience in multiple countries in Eastern Europe and the Former Soviet Union including Ukraine, Russia and Romania with a deep understanding of the social and political challenges in permitting a mine in these jurisdictions."

Each Unit will consist of one (1) common share of the Corporation ("**Common Share**") and one-half (0.5) of a common share purchase warrant ("**Warrant**") at a subscription price of CAD\$0.07 per Unit. This subscription price represents approximately a 250% premium to the Common Shares' 20 day volume-weighted average price as of the close of trading on Friday, May 6, 2016.

Each whole Warrant will entitle the holder to acquire one (1) Common Share at a price of CAD\$0.12 for a period of two (2) years from the date of issuance. However, the Warrant exercise period may be accelerated if the Common Shares trade at a price above CAD\$0.15 for a period of 20 consecutive trading days. After having given effect to the private placement but prior to giving effect to the exercise of the Warrants, Forbes and its associated entities will own approximately 15.75% of the outstanding Common Shares based on the current outstanding Common Shares of 764,364,355. After giving effect to the exercise of the Warrants, Forbes and its associated entities will own approximately 22% of the outstanding Common Shares. As part of the Private Placement, Forbes will be entitled to appoint that number of additional directors in order to provide it with a majority on the Corporation's board of directors.

Closing of the Private Placement, which is anticipated to occur on or about May 18, 2016, is subject to the approval of the Canadian Securities Exchange and the entering into of a subscription agreement in respect thereof, which will include the agreed terms and conditions and other customary conditions, representations, warranties, covenants, indemnities and other agreements of the parties.

Origin Merchant Partners acted as financial advisor to Carpathian with respect to the transaction.

**6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**7. Omitted Information**

None.

**8. Executive Officer**

For further information, please contact:

Guy Charette  
Interim Chief Executive Officer  
(416) 368-7744

**9. Date of Report**

May 16, 2016.