

**EARLY WARNING REPORT**  
Pursuant to National Instrument 62-103

1. **The name and address of the offeror:**

Pacific Equity Management Corp.  
Suite 1450 - 701 West Georgia Street  
Vancouver, BC V6C 2T4

2. **The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:**

On June 30, 2015, Pacific Equity Management Corp. (the "Offeror") acquired ownership of 1,900,000 Common Shares of Bama Gold Corp. ("Bama Gold") at a price of \$0.05 per Common Share by means of a private placement. The Common Shares acquired by the Offeror pursuant to this transaction, together with other Common Shares of Bama Gold held by the Offeror, represent approximately 19.42% of the total issued and outstanding common shares of Bama Gold as of June 30, 2015 (undiluted).

3. **The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release:**

Immediately following the transaction noted in item 2 above, the Offeror owns an aggregate of 2,320,000 common shares of Bama Gold and rights to acquire an additional 920,000 Common Shares of Bama Gold upon the exercise of share purchase warrants. In the event that the share purchase warrants held by the Offeror are fully exercised, the holdings of the Offeror will be 3,240,000 Common Shares representing approximately 25.18% of all issued and outstanding shares of Bama Gold as of June 30, 2015, calculated on a partially diluted basis assuming the exercise of only the Offeror's share purchase warrants.

4. **The designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph (3) over which:**

(a) **the offeror, either alone or together with any joint actors, has ownership and control:**

See item 3 above.

(b) **the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:**

N/A

(c) **the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:**

N/A

5. **The name of the market in which the transaction or occurrence that gave rise to the news release took place:**

N/A

6. **The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release:**

\$95,000.

7. **The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The securities noted in item 2 above were acquired for investment purposes. The Offeror may from time to time acquire additional securities of Bama Gold, dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its current position.

8. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

The securities noted in item 2 above were acquired pursuant to a private placement conducted by Bama Gold.

9. **The names of any joint actors in connection with the disclosure required by this report:**

N/A

10. **In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror:**

The Common Shares noted in item 2 above were acquired pursuant to a private placement conducted by Bama Gold for aggregate consideration of \$95,000 at a price of \$0.05 per Common Share.

11. **If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or part 4 in respect of the reporting issuer's securities:**

N/A

12. **If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance.**

NI 45-106, Part 2, Division 1, Section 2.3(1)

Dated as of the 3<sup>rd</sup> day of July, 2015.