

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

James Bay Resources Limited (“**James Bay**” or the “**Company**”)
79 Wellington Street, West, Suite 2100
P.O. Box 139, TD South Tower
Toronto, Ontario
M5K 1H1

Item 2. Date of Material Change

April 2, 2018.

Item 3. News Release

Press release issued by the Company on April 2, 2018 via a Canadian news wire service, a copy of which has been filed via SEDAR.

Item 4. Summary of Material Change

James Bay announced that its settlement offer in the litigation between Crestar Natural Resources Limited and a subsidiary of Seplat Petroleum Development Company Plc has been accepted and as a result, James Bay shall receive US\$10.5 million of the escrowed funds, interest at 8% from January 3, 2018, and legal costs in relation to the action.

Item 5. Full Description of Material Change

James Bay Resources Limited announced that its settlement offer in the litigation between Crestar Natural Resources Limited and Newton Energy Limited, a subsidiary of Seplat Petroleum Development Company Plc, has been accepted. The litigation relates to proceedings brought in January 2017 by Crestar in the English High Court over the deposit of US\$20.5 million currently held in an escrow account, following a protracted dispute over the acquisition of Oil Mining Lease (OML) 25 from Shell and its partners. Under the terms of the settlement offer, James Bay shall receive US\$10.5 million of the escrowed funds, plus interest at 8% from January 3, 2018, along with its legal costs in relation to the action.

James Bay is obligated to pay a portion of the escrowed funds it receives under the settlement to the holders of unsecured convertible debentures (the “**Holders**”) which closed in Q2 of 2015. Net proceeds from that debenture offering were used to fund James Bay’s working capital needs, including in particular any litigation issues stemming from the Company’s enforcement of its right to acquire a 45% participating interest in OML 25 in Nigeria (the “**Litigation**”), as further disclosed in

the Company's news releases dated March 9, 2015 and January 26, 2015. James Bay had also entered into litigation funding agreements with the Holders to pay up to an aggregate of 30% of the net proceeds of the Litigation.

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

Not Applicable.

Item 7. Omitted Information

No information has been omitted from this material change report.

Item 8. Senior Officer

The following senior officer of the Company is knowledgeable about the material change and the Material Change Report, and may be contacted by the Commission as follows:

Stephen Shefsky, President and CEO
Telephone: 416-366-4200
Facsimile: 416 366-4201
Internet: www.jamesbayresources.com

Item 9. Date of Report

April 5, 2018.