

Form 51-102F3

Material Change Report

Item 1: Name and Address of Company

PEDIMENT EXPLORATION LTD.
Suite 720-789 West Pender Street
Vancouver, British Columbia V6C 1H2

(the "Company")

Item 2 Date of Material Change

December 12, 2008

Item 3 News Release

The news release was disseminated on December 12, 2008 by way of Stockwatch.

Item 4 Summary of Material Change

The Company announces the addition of Chris Babcock to its management team, and the cancellation and grant of incentive stock options.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Pediment Exploration Ltd. (TSXV: PEZ) ("Pediment" or the "Company") is pleased to welcome Chris Babcock to the position of Mine Development in charge of its San Antonio project. Mr. Babcock has 24 years of experience in the mining industry, 17 years being in Mexico or on Mexican projects. He was most recently the President of Castle Gold Corp. and previous to that was the President of Morgain Minerals Inc. Mr. Babcock was the Manager of Mexico for Alamos Gold during the early development of the Mulatos project. He was also involved in the initial development of the La Colorada project, which the Company just purchased. His involvement in the early 1990's for Eldorado Gold included completing a bulk heap leach test and the design, construction and initial operations of the commercial heap leach facility. Mr. Babcock's experience in the development and operation of gold mines will greatly assist the Company in its efforts to develop the San Antonio project.

In addition, the Company announces a total of 1,240,000 incentive stock options, under its Share Option Plan, which were granted to certain employees, consultants and directors of Pediment have been cancelled. 400,000 of the incentive stock options were priced at \$1.88 and 840,000 were priced at \$3.00. The Board of Directors has agreed to cancel these options to ensure that there is a pool of options available to reward and motivate employees, potential employees and consultants and directors and officers for their contribution toward the success and goals of the

Company. The Company has granted, under its Share Option Plan, incentive stock options to certain employees, consultants and directors of Pediment to purchase up to an aggregate of 1,900,000 common shares. The options will be exercisable for a period of five years from the date of grant at a price of \$0.60 per share.

Finally, the Company confirms that, pursuant to a Share Exchange Agreement dated June 22, 2005 between the Company and El Dragon Minerals, LLC *et al* , (the “El Dragon Agreement”) the Company has issued 2,500,000 common shares (the “Bonus Shares”) to the former shareholders of the Company’s subsidiary Minera Pitalla S.A. de C.V. In accordance with applicable securities laws, the shares will be subject to a four-month hold period. Under the El Dragon Agreement, the Bonus Shares are issuable on the satisfaction of a condition that more than one million ounces of gold or gold equivalent resource be discovered on three or fewer Pitalla projects, with at least 500,000 ounces on a single project. A NI 43-101 report on the San Antonio project commissioned by Pediment reported an Inferred Resource of 1.45 million ounces of gold. Based on that report and an additional independent review of the project the Company has determined that that condition has been satisfied.

Additional details on the El Dragon Agreement are set out in the Company’s public disclosure filings on SEDAR (www.sedar.com), including the Company’s February 9, 2005 Information Circular and its October 6, 2005 news release. The El Dragon Agreement has been accepted by the TSX Venture Exchange.

This material change report contains forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 27E of the U.S. Securities Exchange Act of 1934, as amended regarding the appointment of Chris Babcock to the Company’s management team. Such statements include, without limitation, statements regarding the timing of future exploration activities by the Company, future anticipated exploration program results, the discovery and delineation of mineral deposits/resources/reserves, business and financing plans, potential mining scenarios, the success of mineral processing procedures, business trends and future operating costs and revenues. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various factors, including, but not limited to, variations in the nature, quality and quantity of any mineral deposits that may be located, the Company’s inability to obtain any necessary permits, consents or authorizations required for its activities, the Company’s inability to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies. The reader is referred to the Company’s reports, publicly available through the Canadian Securities Administrators’ System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com, and the U.S. Securities and Exchange Commission’s Electronic Data Gathering and Retrieval (EDGAR) System at www.sec.gov, for a more complete discussion of such risk factors and their potential effects.

This material change report contains information with respect to adjacent or similar mineral properties in respect of which the Company has no interest or rights to explore or mine. The Company advises that the U.S. Securities and Exchange Commission’s mining guidelines prohibit information of this type in reports filed with the SEC. Readers are cautioned that the Company has no interest in or right to acquire any interest in any such adjacent or similar properties, and that mineral deposits on adjacent or similar properties are not indicative of mineral deposits on the Company’s properties.

All of the Company’s public disclosure filings may be accessed via www.sedar.com and www.sec.gov, and readers are urged to review these materials, including any technical reports filed with respect to the Company’s mineral properties.

This material change report is not to be construed in any way as, an offer to buy or sell securities.

5.2 Disclosure for Restructuring Transactions

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

Gary Freeman, President & Chief Executive Officer

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Item 9 Date of Report

December 12, 2008