FORM 51-102F3
Material Change Report

Item 1. Name and Address of Company

Northern Lion Gold Corp. (the "Company")
620 - 650 West Georgia Street
Vancouver, BC V6B 4N9

Item 2. Date of Material Change

August 28, 2006

Item 3. News Release

The News Release dated August 28, 2006 was disseminated via CCN Matthews.

A copy of the Press Release is attached as Schedule "A".

Item 4. Summary of Material Change

The Company announced the commencement of a helicopter-borne, geophysical survey on its Cercal mineral exploration licence, located within the Iberian Pyrite Belt approximately 120 km. southeast of Lisbon, Portugal.

Full Description of Material Change

For a full description of the material change, see Schedule "A".

Item 5. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 6. Omitted Information

Not Applicable.

Item 7. Executive Officer

John Lando, President
604.669.2701

Item 8. Date of Report

Dated at Vancouver, BC, this 5th day of September, 2006.

SCHEDULE "A"

NEWS RELEASE

AIRBORNE GEOPHYSICAL SURVEY COMMENCES AT CERCAL, PORTUGAL

August 28, 2006 TSX-V Symbol: NL

Frankfurt Symbol: N3E

Vancouver, British Columbia: Northern Lion Gold Corp. (the "Company") announces the commencement of a helicopter-borne, geophysical survey on its Cercal mineral exploration licence, located within the Iberian Pyrite Belt approximately 120 km. southeast of Lisbon, Portugal.

This program, being carried out by Geotech Limited, of Aurora, Ontario, employs an advanced, deep-penetrating, VTEM (Versatile Time-Domain Electromagnetic) system, which includes a high-resolution cesium magnetometer. Flight lines are oriented on a northeast-southwest, 200 metre grid, for a total of 1,350 line-km, including tie-lines. The survey is expected to take up to ten days to complete.

The Cercal exploration licence, covering approximately 240 square km., was granted to the Company's European subsidiary, Northern Lion Gold Oy, by the Portuguese mining authority on May 12, 2006. It has an initial term of two years and requires minimum annual exploration expenditures of €151,000 in the first year and €260,000 in the second. Three, one-year extensions are available, subject to meeting certain conditions.

The present, first-year, exploration program comprises data acquisition and compilation, prospecting, rock and soil sampling, geological mapping and the airborne survey, with a total budget of $460,000.

The Iberian Pyrite Belt

The Iberian Pyrite Belt ("IPB") of Portugal and Spain comprises Late Devonian to Middle Carboniferous sedimentary and volcanic rocks and is 250 km long by 25 to 70 km wide. It has been actively mined for over 2,000 years and hosts some of the world's richest (e.g. Neves Corvo) and largest (e.g. Rio Tinto – 335 million tones ("Mt") and Aljustrel – more than 270 Mt) volcanic-hosted massive sulphide ("VHMS") deposits.

In all, some 88 deposits are known, containing more than 1,725 Mt (previously mined and present reserves) grading 1.30% copper, 0.70% lead, 2.00% zinc, 0.50 g/t gold and 26 g/t silver. These deposits include seven that are classed as "giant", each containing more than 100 Mt. The IPB dwarfs the world's other large VHMS provinces, such as

Canada's Abitibi Belt 478 Mt) and the Bathurst Camp (252 Mt), and Sweden's Skellefte District (161 Mt).

Euro Zinc's Neves Corvo, located some 55 km east-southeast of the Cercal licence, was discovered in 1977, at a depth of 300 metres, and is considered to be the "crown jewel" of the IPB. Original reserves for this deposit were 100 Mt grading 3.46% copper, 1.40% zinc, 0.80% lead, and 0.25% tin.

The Cercal Licence

The Cercal licence is underlain by rocks of the IPB and is considered to be highly prospective for the occurrence of both gold and VHMS base metal deposits. At least one potential massive sulphide occurrence, Salgadinho, is known within the licence. It is expressed as disseminated pyrite-chalcopyrite mineralization in felsic tuffs exhibiting stockwork alteration (green fluorine-bearing sericite, quartz, chlorite), but without the massive sulphide portion, and may represent the roots of an ore forming system.

One explanation for this is that the dense sulphides moved down the submarine volcanic slope from the root or feeder zone after deposition and may be located nearby. This system is accompanied by a large gravity high, approximately 1.1 km in length, and anomalous copper and zinc values in several samples of surface and well water and cork oak leaves (ash) collected nearby.

The present licence area was brought to the attention of the Company in mid-2004 by SES Sweden AB ("SES"), a private Swedish company. On March 1, 2005, the Company entered into an arrangement with SES by which it could acquire a 95% interest in any exploration licence area identified by SES, in consideration of payments to SES totaling €80,000, over four years. SES will retain the remaining 5% interest in the property and will be carried until the Company receives a bankable feasibility study for any mineral deposit discovered within the licence area.

Quality Control/Quality Assurance

The Company's exploration activities are under the direction of John R. Fraser, P.Geo. (BC), the Company's Vice President of Exploration, and a "Qualified Person", as defined by National Instrument 43-101. Mr. Fraser is responsible for the technical content of this news release.

In addition, the Company has retained Taija Huotari (M.Sc,-Tech.), a geophysicist with the Geological Survey of Finland, Espoo, Finland, to provide technical oversight for the geophysical survey.

Technical data relating to IPB deposits are taken from published records and are believed to be reliable; however, they have not been independently verified by the Company.

About Northern Lion Gold Corp.

Northern Lion is a Canadian mineral exploration company, listed on the TSX Venture Exchange and the Frankfurt Exchange. It owns 100% of the Haveri gold project, a past gold producer in southern Finland, and holds several strategically-located concessions within historical mining camps in Sweden.

The Company is committed to building a strong portfolio of projects within mining-friendly and infrastructure-rich areas of Scandinavia and has commenced exploration of a mineral exploration license over an extensive area of the prolific Iberian Pyrite Belt, in southern Portugal.

The Company is well funded to continue to define and explore its existing projects and to acquire and explore new projects.

NORTHERN LION GOLD CORP.

John Lando, President.

For information with respect to the Company or the contents of this news release, please contact John Lando or Don Flahiff at (604) 669-2701, toll free at 1-800-663-0510, or email to info@northernliongold.com.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.