FORM 51-102F3
MATERIAL CHANGE REPORT

1. *Name and Address of Reporting Issuer:*

   Citadel Gold Mines Inc.
   150 Signet Drive
   Toronto, Ontario M9L 1T9

2. *Date of Material Change:*

   November 19, 2008

3. *News Release:*

   A press release was issued on November 19, 2008 and disseminated across Canada by Canada NewsWire and filed on SEDAR.

4. *Summary of Material Change:*

   Citadel Gold Mines Inc. announces that its board of directors has approved sending a notice of termination to Trelawney Resources Inc. terminating the Company's obligations under the option agreement between the Company and Trelawney with respect to the Massey property, located near Elliott Lake, Ontario, about 100 km west of Sudbury.

   The Company has previously disclosed that airborne survey results on the Massey property provided no indication of any large shallow or deep conductive body on the property. Accordingly, the Company has determined not to proceed to further develop the Massey property, and has sent notice of its termination of the option to Trelawney pursuant to the terms of the option agreement.

5. *Full Description of Material Change:*

   A full description of the material change is set forth in the press release attached hereto.

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 John Sadowski, President, telephone: (416) 675-8379

9. *Date of Report:*

   November 20, 2008

NOT FOR RELEASE OR DISSEMINATION INTO THE UNITED STATES

CITADEL GOLD MINES INC. ANNOUNCES ITS INTENTION TO TERMINATE OPTION ON SUDBURY BASE METAL PROPERTY

TORONTO, November 19, 2008/CNW/ - CITADEL GOLD MINES INC. (CGM.H: NEX Exchange).

Citadel Gold Mines Inc. (the "Company") announces that its board of directors has approved sending a notice of termination to Trelawney Resources Inc. (TRR-TSXV) ("Trelawney") terminating the Company's obligations under the option agreement between the Company and Trelawney with respect to the Massey property, located near Elliott Lake, Ontario, about 100 km west of Sudbury.

The Company has previously disclosed that airborne survey results on the Massey property provided no indication of any large shallow or deep conductive body on the property. Accordingly, the Company has determined not to proceed to further develop the Massey property, and has sent notice of its termination of the option to Trelawney pursuant to the terms of the option agreement.

The Company continues to explore other opportunities.

For further information contact:

John Sadowski
President
Citadel Gold Mines Inc.
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Facsimile: 416.675.8477