

FORM 51-102F3

SECURITIES ACT

MATERIAL CHANGE REPORT

Item 1 Name and address of Company

TOWER Resources Ltd.  
530-510 Burrard Street  
Vancouver BC V6C 3A8

Item 2 Date of Material Change

August 29, 2012

Item 3 Press Release

News Release dated August 29, 2012 disseminated via The NewsWire under section 7.1 of National Instrument 51-102

Item 4 Summary of Material Change

The company has terminated its Option Agreement on the Vancouver Island based Dragon and Dorado projects.

Item 5 Full Description of Material Change

**Vancouver, B.C.** – Tower Resources Ltd. is pleased to report initial results from phase one drilling at its 100% controlled JD Property in north-central British Columbia where high-grade gold and silver was intersected over significant widths in the Finn Zone.

Selected highlights from the first three diamond drill holes in the Finn Zone include:

- 12.6 meters (m) grading 10.82 grams per tonne (g/t) gold (Au) and 65.70 g/t silver (Ag) in hole JD-12-003
- 21.5 meters grading 4.92 g/t Au and 53.99 g/t Ag in hole JD-12-002
- 21.2 meters grading 3.80 g/t Au and 24.53 g/t Ag in hole JD-12-001

"Assay results from the first three diamond drill holes in the Finn Zone are extremely encouraging as they confirm the continuity and high grade nature of near surface gold and silver mineralization at JD," stated Mark Vanry, Tower's chief executive officer. "Silver grades have added significantly to initial confirmation results as previous operators did not routinely re-assay for over-limit silver."

Mr. Vanry also noted that "Tower reached numerous milestones this summer during the company's first ever exploration season. Drilling was initiated in late July and counted close to 3000 meters (18 diamond drill holes) in four and a half weeks concurrent with a detailed and systematic exploration program in prospective but underexplored areas proximal to the Finn Zone. These new drill results from the Finn Zone support and expand on the model that our technical team developed prior to the

field season. We will continue to provide shareholders with updates and news as assay results are made available from the lab."

**Full Table of Results**

Drill Hole <sup>1</sup>	From (m)	To (m)	Width <sup>2</sup> (m)	Au (g/t)	Ag (g/t)	AuEQ <sup>3</sup> (g/t)
JD-12-001	23.0	26.0	<b>3.0</b>	<b>1.66</b>	<b>11.50</b>	<b>1.88</b>
	29.0	50.2	<b>21.2</b>	<b>3.80</b>	<b>24.53</b>	<b>4.26</b>
Including	34.7	50.2	<b>15.5</b>	<b>4.86</b>	<b>27.26</b>	<b>5.37</b>
JD-12-002	26.0	57.5	<b>31.5</b>	<b>3.65</b>	<b>52.21</b>	<b>4.63</b>
including	36.0	57.5	<b>21.5</b>	<b>4.92</b>	<b>53.99</b>	<b>5.93</b>
including	53.0	57.5	<b>4.5</b>	<b>10.97</b>	<b>20.30</b>	<b>11.35</b>
JD-12-003	27.0	42.6	<b>15.6</b>	<b>8.84</b>	<b>64.54</b>	<b>10.05</b>
including	30.0	42.6	<b>12.6</b>	<b>10.82</b>	<b>65.70</b>	<b>12.05</b>
including	35.0	40.0	<b>5.0</b>	<b>20.41</b>	<b>36.24</b>	<b>21.09</b>
	55.0	61.0	<b>6.0</b>	<b>0.71</b>	<b>10.86</b>	<b>0.92</b>
	65.0	71.0	<b>6.0</b>	<b>2.03</b>	<b>1.02</b>	<b>2.05</b>
	73.0	81.0	<b>8.0</b>	<b>2.53</b>	<b>2.39</b>	<b>2.58</b>
including	78.0	81.0	<b>3.0</b>	<b>5.64</b>	<b>3.03</b>	<b>5.69</b>

1. JD-12-001 was collared at 611263E 6367666N (UTM NAD83 Z 9) and drilled with an azimuth of 200° and dip -50°

JD-12-002 was collared at 611263E 6367666N (UTM NAD83 Z 9) and drilled with an azimuth of 200° and dip -80°

JD-12-003 was collared at 611224E 6367636N (UTM NAD83 Z 9) and drilled with an azimuth of 200° and dip -50°

2. Widths reported are drill widths. True widths are approximately 96% of drill widths.

3. Gold Equivalent (AuEQ) calculations use metal prices as follows: Au \$1600/oz and Ag \$30/oz.

Recoveries are assumed to be 100%

The Finn Zone is hosted in a northeast striking and gently dipping porous volcanoclastic unit that locally crops out on surface. The hanging wall and footwall to the zone consist of massive and locally porphyritic andesite with lesser interbeds of crystal ash tuffs. The zone consists of a core of strongly silica + clay + sericite altered breccias mineralized with disseminated and vein hosted pyrite with lesser sphalerite, galena, and chalcopyrite. Peripheral to the high grade core the alteration grades into sericite + chlorite + pyrite and more distally epidote + chlorite +/- hematite alteration predominates. Drill hole JD-12-003 intersected gold and silver mineralization below the Finn Zone core which is related to finely disseminated pyrite and galena associated with moderate sericite + chlorite alteration.

Detailed modeling of historic drill holes in the Finn and its peripheral extensions prior to this season's program resulted in the identification of new targets at depth and a new understanding of the overall geometry of the zone, the extent of its mineralization and where it remains open. Confirming historic data was deemed necessary because all historic drilling at JD was performed prior to the existence of National Instrument 43-101 Standards. Tower chose a different (200° rather than the historic 180°) azimuth for new drill holes to intersect the zone on a more preferential perpendicular plane. This also allowed drill holes to intersect gaps in historic drilling and test mineralization continuity.

Regional Exploration:

Tower also completed an extensive 2000 sample soil geochemical survey over a large grid to aid in target generation going forward. Furthermore, detailed geological mapping and prospecting was completed by Tower personnel and assay results from numerous grab and chips samples are pending.

The JD Property is comprised of over 15,000 hectares in 42 claims. The JD Property is located 200 kilometres east of Dease Lake, BC and approximately 50 kilometres north of Aurico Gold Inc.'s past producing Kemess Mine in the Omineca mining district of British Columbia.

Quality Assurance and Control:

The 2012 drilling and sampling program at JD was supervised by Christopher Leslie, M.Sc., Vice President, Exploration for Tower Resources. The technical and scientific nature of this news release was supervised, reviewed and approved by Ken Thorsen, B.Sc., P.Eng., and consultant to the Company, who serves as a Qualified Person under the definition of National Instrument 43-101.

Core samples were prepared at Tower's core logging facility at the JD camp and shipped in sealed and secure bags to Acme Analytical Laboratories preparation lab in Smithers, BC. Here, samples were prepared using standard preparation procedures. Samples were then analyzed at Acme's Vancouver, BC laboratory for gold by 30 gram fire assay fusion with AAS finish; samples that yielded results greater than 10g/t Au were re-assayed using a 30 gram fire assay with a gravimetric finish. 36 elements, including silver, lead and zinc, were analysed by ICP-MS using an aqua regia digestion. Over-limit (>100 ppm) silver was re-analysed by a 30 gram fire assay with gravimetric finish. Over-limit lead and zinc (>1%) was re-analysed by ICP-ES finish using an aqua regia digestion. Quality assurance and quality control procedures include the systematic insertion of blanks, certified standards and duplicate samples into the sample stream followed by careful monitoring of results.

**Tower also announces that it has terminated its Option Agreement on the Vancouver Island based Dragon and Dorado projects.**

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102:

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Senior Officers

Mark Vanry, President of the Issuer, is knowledgeable about the material change and this report. His business telephone no. is (604) 558-2565.

Item 9 Date of Report

August 29, 2012

"Mark Vanry"  
President