

This is the form of material change report required under section 85(1) of the *Securities Act* and section 151 of the *Securities Rules*.

FORM 53-901F
(Previously Form 27)

**MATERIAL CHANGE REPORT UNDER
SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)**

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this are complied with.

NOTE: If this report is filed on a confidential basis, put at the beginning of the report in block capitals "CONFIDENTIAL – SECTION 85", and file in an envelope marked "Confidential – Attention: Supervisor, Financial Reporting".

1 Reporting Issuer

RAINY MOUNTAIN ROYALTY CORP.
2489 Bellevue Avenue
West Vancouver, British Columbia V7V 1E1

Telephone (604) 922-2030

(the "Company" or "Rainy Mountain")

2 Date of Material Change

May 11, 2010

3 Press Release

Issued in West Vancouver, B.C. on May 11, 2010 under Section 85 (1) of the Act and disseminated through the facilities of Market News and Stockwatch.

4 Summary of Material Change

Rainy Mountain has completed its option agreement with Black Panther Mining Corp.

5 Full Description of Material Change

The Company is pleased to announce that further to its news release of March 8, 2010, Black Panther Mining Corp. ("Black Panther") has now received TSX Venture Exchange acceptance of its option agreement with Rainy Mountain pursuant to which Black Panther can acquire up to a 50% interest in the Company's 234 claim unit gold property (the "Olsen Twp. Property") located approximately 60 km north of Sault Ste Marie, Ontario. Black Panther and Rainy Mountain have certain common directors.

Black Panther has approved an exploration program for the Olsen Twp. Property. The first phase of exploration program will consist of prospecting, geological mapping and line cutting to further trace the favourable gold bearing carbonate alteration zones. The first phase will be followed up with magnetic and induced polarization (IP) survey on a 50-80 km grid designed to identify the width and most pyritic sections within the 10 km length of the prospective shear zones. Further mapping of the Property is planned to define the extent of porphyries and their relationship to the gold occurrences. At least three gold occurrences have been historically identified on the Olsen Twp. Property and the discovery of a further gold occurrence was recently made during Black Panther's initial property inspection. A further program of trenching, followed up by diamond drilling, is already being considered by Black Panther in light of the prolific extent of the carbonate (ankerite) alteration. The Property is road accessible via Highway 17 and a powerline across the Property. The geology of the Olsen Twp. Property resembles the Timmins-Porcupine Camp style gold deposits and is on the same section of the Abitibi greenstone belt.

Black Panther has approved an initial exploration budget of \$250,000 for the phase one program, which program will commence immediately and is expected to be completed during the next 3 months.

Under the Option Agreement with Rainy Mountain, Black Panther must incur \$250,000 in exploration expenses by March 2, 2011 to earn a 30% interest in the Property. As well, Black Panther has the right to earn a 50% interest in the Olsen Twp. Property by incurring an additional \$250,000 in exploration expenses by March 2, 2012.

This news release has been reviewed and approved by Mr. Robert Middleton, P. Eng., and Geophysicist, who is acting as the Qualified Person for this project in accordance with regulations under NI 43-101.

For further information, contact Mr. Clive Shallow, investor communications at 604-922-2030 or visit the Company's new website at www.rmroyalty.com (an updated Rainy Mountain Royalty Corp. website is currently being developed).

6 Reliance on Section 85(2) of the Act

Not applicable

7 Omitted Information

No information has been intentionally omitted from this form.

8 Senior Officers

Ronald A. Coombes, President
Sead Hamzagic, CFO

Further information may be obtained from Bruce E. Morley, director of the Company, 2489 Bellevue Avenue, West Vancouver, British Columbia, V7V 1E1, (604) 922-2030

9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at West Vancouver, British Columbia, this 11th day of May, 2010.

RAINY MOUNTAIN ROYALTY CORP.

"Bruce E. Morley"

Signature

Director
(Official capacity - please print)

Bruce E. Morley
(Please print here name of individual whose signature appears
above, if different from name of vendor or agent printed above)