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

July 28, 2010

3 Press Release

Issued in West Vancouver, B.C. on July 28, 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 reports on Xstrata's drilling program update for the Hamlin IOCG property located near Thunder Bay, Ontario.

5 Full Description of Material Change

The Company has been informed by Xstrata Copper Canada, a division of Xstrada Canada Corporation ("Xstrata") of Toronto, Ontario, that a drilling program of four core drill holes (drilled to a depth of 300-384 metres) has recently been completed on the Company's Hamlin IOCG property currently under option to Xstrata. The drill program tested well beneath the known copper and gold mineralization and has been successful in intersecting mineralization (as summarized in the following table of assay results).

Wide zones of copper mineralization, contained in a hematized-pink breccia, were observed over core lengths of 280 metres. The drilling intersected and assays confirmed copper and gold mineralization which extended the known depth beyond 300 metres. Further drilling is being planned with the objective of extending the zone along strike to the east. The current core drill program completed 150-200 metre sections moving to the west, and leaving for future drilling the eastern extension, which is still open at depth. To the east, shallow core drill holes have been only drilled to a vertical depth of 75 metres and intersected similar mineralization containing copper-gold values. Mineralization has been identified over a significant strike length of 2300 metres.

A surface geological program has also continued on the property.

Assays were provided by Xstrata Copper in the attached Table from the drill program supervised by Gordon Maxwell, P.Geo who acted as the qualified person for the Xstrata drill program. ALS Chemex in Thunder Bay carried out preparations of the samples outlined in this news release and ALS Chemex in North Vancouver carried out assaying.

DDH	FROM	TO	INTERVAL (m)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)
HAM-10-63	160.5	255	**94.5**	0.22	0.093	2.8	126
And	294	382.5	**88.5**	0.12	0.032	1.3	79
HAM-10-64	133.5	307.5	**174**	0.33	0.085	1.7	138
Including	142.5	240	**97.5**	0.40	0.123	1.8	117
HAM-10-65	225	324	**99**	0.29	0.038	1.0	153
Including	267	322.5	**55.5**	0.41	0.039	1.4	191
(including)	267	289.5	**22.5**	0.59	0.053	1.9	190
(including)	268.5	273	**4.5**	1.28	0.084	4.7	306
HAM-10-66	34.5	315	**280.5**	0.22	0.072	1.3	128
Including	112.5	150	**37.5**	0.45	0.153	2.6	202
(Including)	129	150	**21**	0.58	0.187	3.3	277
Including	286.5	292.5	**6**	0.56	0.088	2.5	304

***Note: 500 ppm = 1.1 lb. per tonne = .05%, 1.0% = 22 lbs per tonne**

When analyzing for basemetal and silver, values (Copper, Zinc and Silver) were determined by ICP (inductively coupled plasma) after an aqua regia acid digestion. Assays exceeding 100 grams silver and 10,000 parts per million (ppm) copper were repeated using multi acid digestion and atomic absorption (AA). Check assays were run on high values. Gold values were determined by fire assay extraction on 30-gram samples followed by an AA finish.

Xstrata can earn a 51% interest in the Hamlin property (157 claims) by incurring $3 million in exploration expenditures and can earn a further 24% interest by incurring not less than $20 million in feasibility study expenditures. The Hamlin property is presently held by Rainy Mountain and Mega Uranium Ltd. on a 50/50 joint venture basis.

This news release has been reviewed and approved by Robert Middleton, P.Eng., who is acting as Qualified Person for the Company's Hamlin IOCG property 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 28th day of July, 2010.

RAINY MOUNTAIN ROYALTY CORP.

"Ronald A. Coombes"

Signature

President
(Official capacity - please print)

Ronald A. Coombes
(Please print here name of individual whose signature appears above, if different from name of vendor or agent printed above)