

**FORM 51-102 F3
MATERIAL CHANGE REPORT**

ITEM 1 Name and Address of Company

Pangolin Diamonds Corp. (the "Company")
25 Adelaide Street East, Suite 1614
Toronto, ON M5C 3A1

ITEM 2 Date of Material Change

January 27, 2014.

ITEM 3 News Release

A news release with respect to the material change referred to in this report was disseminated on January 27, 2014 and was filed on SEDAR with the British Columbia, Alberta and Ontario Securities Commissions and with the Autorité des Marchés Financiers in Québec.

ITEM 4 Summary of Material Change

On January 27, 2014, the Company announced that it had named Rick G. Bonner, P. Geol., as its President and Chief Executive Officer, and that Willem Smuts would be resigning from his role as President and Chief Executive Officer of the Company, with immediate effect.

The Company also announced that it had reached an agreement with Nomathata Diamonds Inc., a private company controlled by Dr. Leon Daniels, a director, the Chairman and a significant shareholder of the Company, to make clarifying amendments to two agreements that were entered into before the Company went public.

ITEM 5 Full Description of Material Change

See press release attached hereto as Schedule "A"

ITEM 6 Reliance on Section 7.1(2) of National Instrument 51-102

Not applicable.

ITEM 7 Omitted Information

Not applicable.

ITEM 8 Executive Officer

For further information, please contact Graham Warren, Chief Financial Officer of the Company at 416-594-0473.

ITEM 9 Date of Report

January 27, 2014.

Schedule "A"



Pangolin Diamonds Names New President & CEO; Amends Agreements with Insider; Sets Date for Annual General Meeting

TORONTO, ONTARIO (January 27, 2014 - Pangolin Diamonds Corp. (TSX-V: PAN) (the "Company" or "Pangolin") announces that it has named Rick G. Bonner, P.Geol., as its President and Chief Executive Officer. Willem Smuts, who has served in this roll since the Company was first formed, has resigned.

Mr. Bonner has over thirty years of mineral exploration experience on four continents exploring for gold, uranium, copper and diamonds. Relevant diamond exploration and African experience includes professional contract work for Kennecott Canada and Diavik Diamond Mines, both part of the Rio Tinto group. He then worked directly for Diavik Diamond Mines, adding kimberlite resources as well as operating their bulk-sampling drilling programs in northern Canada. These programs recovered significant carat weights for grade and value determinations with the objective of adding to the Diavik mining reserves.

Mr. Bonner previously served as BHP Minerals' Senior Project Geologist for Botswana and Namibia, Africa. Subsequently, he co-founded Westport Resources Namibia, which developed into a significant exploration company wholly owned by Forsys Metals Corp., a TSX-listed company operating in Namibia. This work included advancing their key project, the Valencia uranium deposit, from the exploration stage to reserve-resource definition stage while delivering an overall resource increase of approximately 550%.

Mr. Bonner is a member of the Institute of Corporate Directors, the Society of Economic Geologists and the Canadian Institute of Mining and Metallurgy as well as being a licensed Professional Geologist with NAPEG, Canada. He is currently a Director of Augustine Ventures Inc. (TSX-V) and has in the past served on the boards of several other private and public junior mining companies.

Dr. Leon Daniels, Chairman of Pangolin, commented: "We are delighted to have Rick Bonner join our senior management team. His past experience working in Africa and with diamonds will be of great assistance." He also commented: "I also wish to thank Willem Smuts for his contribution to Pangolin over the years and wish him well as he pursues other interests."

Amendments to Agreements with Insider

The Company also announces that it has reached an agreement with Nomathata Diamonds Inc. ("Nomathata"), a private company controlled by Dr. Leon Daniels, a director, the Chairman and a significant shareholder of the Company, to amend certain terms contained in two agreements that were entered into before the Company went public. Specifically, pursuant to a share purchase agreement between the Company and Nomathata dated December 22, 2011 (the "Original Acquisition Agreement"), the Company had previously agreed, as part consideration for acquiring the Company's prospecting licenses in Botswana, to pay Nomathata a further amount of Cdn \$1.2 million within 24 months of the Company discovering a 5th Kimberlite on its licensed properties in Botswana. The parties have now amended and clarified those obligations. Specifically, the parties have agreed that the \$1.2 million payment obligation will now be payable within 24 months of the discovery of the 10th (not 5th) Kimberlite, provided that each such Kimberlite is "diamondiferous" as verified by a Qualified Person (as such term is defined in NI 43-101). In addition, the parties have agreed that for a Kimberlite to be diamondiferous, it must be a Kimberlite in which a "macro" diamond is contained – namely a diamond being greater than 0.5 mm in size. If a known diamondiferous Kimberlite is acquired by the Company, it will not be counted as one of the 10 as described above.

As a consequence of the amendments to the Original Acquisition Agreement described above, the parties also agreed to clarify a term contained in the existing December 20, 2011 NSR Royalty Agreement (the "**Existing NSR Agreement**") in favour of Nomathata. Specifically, the parties agreed to amend the existing definition of "Project Area" contained in the Existing NSR Agreement to clarify what diamond production, if any, on project lands and licenses owned by the Company would attract the payment of the 1.15% NSR - to Nomathata. In short, the amendment of the definition clarifies that any future NSR payable to Nomathata on any new licenses acquired by the Company in Botswana, either by acquisition or by joint-venture, will only be payable if Dr. Daniels plays (or played) a significant role in the acquisition of such diamond prospecting licenses. If a known diamondiferous Kimberlite is acquired by the Company, the NSR will not apply.

The amendments to the Original Acquisition Agreement and Existing NSR Agreement constitute a "related party transaction" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), but are exempt from the formal valuation and minority approval requirements of MI 61-101. The Company believes that amendments to the Original Acquisition Agreement and Existing NSR Agreement are clarifying in nature and are, on balance, very beneficial to the Company.

Annual General Meeting

The Company also confirms that it has fixed Wednesday, March 5, 2014 as the date for the Company's Annual General Meeting of its Shareholders. Proxy materials in respect to the shareholders meeting will be disseminated to shareholders and filed on SEDAR in due course.

About Pangolin Diamonds Corp.

Pangolin Diamonds Corp. is building a leading diamond exploration and development company in the heart of Botswana, the world's leading diamond producing country by value. The Company is the 100% owner of four separate project areas including the Tsabong North, Jwaneng South, Malatswae and Mmadinare Projects. Pangolin's management and team leaders have over 145 years of combined diamond exploration experience in southern Africa. This makes the Company the most experienced diamond explorer in Botswana other than De Beers Exploration and Debswana. The Company is equipped for exploration, with two diamond drill rigs and a fully portable one-tonne per hour Dense Media Separation Plant used to prepare samples and make diamond concentrates. Pangolin is well-funded to continue its exploration programs for the next year.

For more information on Pangolin Diamonds Corp, please refer to www.pangolindiamondscorp.com.

Pangolin Diamonds Corp. - Contact Information

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