

Material Change Report - 51-102F3

Item 1 Name and Address of Company

El Nino Ventures Inc.. (the "Company")
2303 West 41st Avenue
Vancouver, BC V6M 2A3

Item 2 Date of Material Change

April 11, 2011

Item 3 News Release

A news release was issued in Vancouver, B.C. on April 11, 2011 by CNW Group.

Item 4 Summary of Material Change

The Company reports that the Tribunal de Grande Instance in the Democratic Republic of the Congo (DRC) has now rendered two decisions against GEORGES KAVVADIAS, ruling in favour of the Company.

Item 5 Full Description of Material Change

See attached Press Release.

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

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Stacey Bligh, Corporate Secretary – Telephone: 604.609.0954

Item 9 Date of Report

April 11, 2011

DEMOCRATIC REPUBLIC OF CONGO (DRC) COURT RULES IN FAVOUR OF EL NINO (ELN) FOR BOTH JUDGMENTS; DETERMINES GEORGES KAVVADIAS ACTED FRAUDULENTLY

OVERVIEW:

- [June 24, 2010](#): Litigation in the DRC Dismissed; El Nino Files \$850,000 Counter Action Against Georges Kavvadias and GCP Group Ltd. in Canada for Breach of Agreement
- **August / September 2010** - El Niño files two judgments in the DRC against George Kavvadias and GCP Group
- [October 1, 2010](#): El Nino charges Georges Kavvadias and GCP Group with Fraud, Fraudulent Misrepresentation, Misappropriation of Funds, Breach of Agreement and Claims for USD\$ 850,000 + damages in the Supreme Court of British Columbia by El Nino.
- [January 5, 2011](#) - El Nino reports that it received notice from the Supreme Court of British Columbia of the hearing held on November 25, 2010 regarding its Notice of Dispute and Petition against George Kavvadias and GCP Group. Management believes the company was successful by bringing the petition to the Supreme Court as the court determined that these claims were to be decided through arbitration.
- [April 11, 2011](#): Announcement that DRC court rules in favour of El Nino for two judgments against George Kavvadias.

April 11, 2011, Vancouver, Canada; – Further to previous news releases, El Nino reports that the Tribunal de Grande Instance in the Democratic Republic of the Congo (DRC) **has now rendered two decisions against GEORGES KAVVADIAS**, ruling in favour of El Nino.

- The first decision declares null and void the minutes of the meeting by virtue of which GEORGES KAVVADIAS appointed himself as manager of the Joint Venture Company, Infinity Resources SPRL (Infinity), (El Nino 70% and GCP 30%) (Foneco SPRL , the original permit holder for (PR) 5214(Kasala), 5125, 5216, and 5217 which are in close proximity to Kasala. **The Kasala project is one of the first new Greenfields copper discoveries in the last 10 years in this area of the central African Copper belt.** El Nino is the operator of the Joint Venture Company.
- **In the second decision, the Court removed Mr. Kavvadias as manager of Infinity Resources and appointed an interim manager in order to call a shareholders' meeting within two weeks** of the parties being notified of the judgments in order to appoint the

new managers of Infinity.. In both cases, Georges Kavvadias was ordered to pay damages to El Nino and all costs.

From the French translation of the first judgment, The Supreme Court of Justice went further in ruling that, “Whereas it was thus by design and **with fraudulent intent that Georges Kavvadias had these Minutes drawn up** for the purposes of claiming the capacity that he did not have by appointing himself Manager of INFINITY RESOURCES S.P.R.L.; Whereas **Georges Kavvadias availed himself of this fraudulently acquired capacity in all instances to the detriment of El Nino Ventures Inc.** by seeking to evict it while committing acts that are largely prejudicial to INFINITY RESOURCES S.P.R.L. with the risk of causing it to lose almost all of its property; **that the minutes of the meeting of the Board of Directors appointing Georges Kavvadias as Manager are NULL and VOID**”.

The following is an English translation of a partial excerpt from the official transcript of the Court proceedings;

THE COMMERCIAL COURT OF LUBUMBASHI IN SESSION IN LUBUMBASHI AND SITTING IN A COMMERCIAL MATTER IN FIRST INSTANCE RENDERED THE FOLLOWING JUDGMENT:

PUBLIC HEARING OF 07/03/2010

In rendering its decision for the first Judgment, the Court ruling publicly and jointly regarding all the parties, the Government Ministry having been heard in its conforming written opinion read by Mr. MUTOKE, Assistant Public Prosecutor of the Republic;

In view of the Code of Judicial Organization and Jurisdiction;

In view of the Code of Civil Procedure;

In view of the Law regarding the Creation, Organization and Operation of the Commercial Courts;

In view of Articles 258, 526 and 529 of the Congolese Code of Obligations;

In view of Article 81 para. 1 of the coordinated texts on Business Corporations;

- **Declares admissible and well founded the action brought by EL NINO VENTURES Inc.;**
- **Rules in its favour;**
- **Declares that the Special General Meeting of July 4, 2007 was held irregularly;**
- **Decreases the nullity of the minutes established the outcome of said Meeting;**
- **Condemns the Defendant Georges KAVVADIAS to pay damages and costs to El Nino**

When called on to give its opinion, **the Government Ministry concluded that the Defendant GEORGES KAVVADIAS exceeded the power conferred on him;** and in the Government

Ministry's opinion, **he was not empowered to represent EL NINO VENTURES Inc. at the Shareholders General Meeting.** In addition the Government Ministry considered that the holding of this Meeting was not preceded by a regular notice to the Partners and that the Minutes of said Meeting were never filed with the Office of the Commercial Court, **the Court declared the action initiated by El Nino admissible and well founded, and ruled in El Nino's favour and granted El Nino the full benefit of the writ to institute proceedings.**

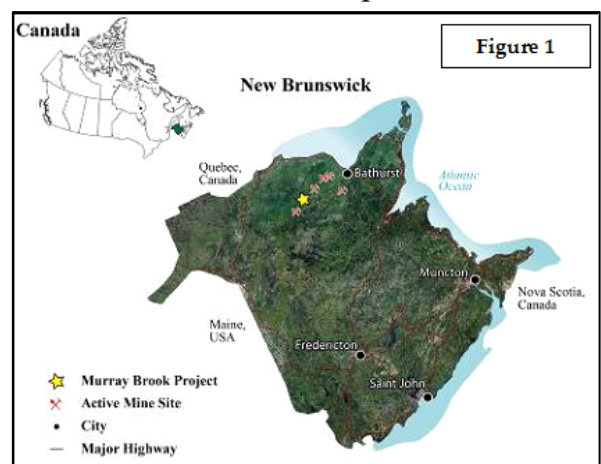
The Court noted that GEORGES KAVVADIAS relied on the proxy entrusted to him by Mr. J. Luc Roy (past President) to represent EL NINO at the disputed Meeting, but that in representing EL NINO at the General Meeting of INFINITY RESOURCES, Mr. KAVVADIAS went beyond the powers conferred on him and that Mr. KAVVADIAS did not provide proof of the notice to the Partners to attend the General Meeting held on July 4, 2007.



As previously reported (News Releases; October 1, 2010 and January 4, 2011), the Company had expected to go to arbitration sometime during February, 2011. Following these decisions, the Company is working with its legal counsel to finalize the appointment of the arbitrator and set a series of dates for the steps to be taken in the conduct of the arbitration and to pursue its claims against Georges Kavvadias and his company GCP Group here in Canada, through the process of Arbitration.

About El Nino Ventures Canadian Assets and Joint Venture Partners

In Canada, El Nino holds a 50% interest in an extensive base metal project located within the Bathurst mining camp in Bathurst, New Brunswick, where earlier drilling campaigns have been carried



out on several historical deposits of lead, zinc and copper mineralization within the large claim block owned 50% ELN, 50% Xstrata Zinc.

El Niño subsequently entered into an option agreement with Votorantim Metals Canada Inc. and Xstrata Zinc Canada whereby Votorantim may earn a 50% interest in El Niño's landholdings by expending \$10 million over 5 years and may further increase its interest in El Niño's landholdings to 70% by expending an additional \$10 million over a further two years. (Please see release dated [May 4, 2010](#)).

In February 2011, ELN announced that a \$5 million exploration program has begun consisting of airborne and ground geophysics and will include a 10,000 metre drill program which is slated for commencement in the spring of 2011. (See press release dated [February 23, 2011](#)).

In January 2011, ELN announced that it has provided notice Votorantim Metals Canada Inc. (Votorantim) to enter into an Option Agreement on the Murray Brook Polymetallic Deposit, situated in the Bathurst Mining Camp in New Brunswick, Canada. (See press release dated [January 20, 2011](#)).. Drilling has been initiated on this project

El Nino's management is aggressively seeking to acquire additional projects on an international scale that meet our corporate objectives. This includes base and precious metal properties within Africa and North America.

El Nino has approximately \$2.5 million in cash with no debt.

Without Prejudice

Comments from Mr. Barr, Chairman and Acting CEO, "I would like to thank our shareholders, the directors, the financial community, our legal counsel, management and consultants in Canada and the DRC who have supported El Nino Ventures over the last two years, especially because of the situation we were forced to address in the DRC."

Without their continued support and belief, El Nino Ventures would not have been able to accomplish its objectives. **I am exceptionally proud of the team that we have assembled since I became the Chairman and acting CEO in September 2009.** At the time, I was and continue to be a major shareholder of this company. I was asked by the previous board of directors and the President to head up El Nino (I felt obligated to do so as I had worked with the majority of the board for over 20 years and many of the shareholders were my long time friends/investors) when they were experiencing difficulties with Mr. Kavvadias, who was our partner in the DRC.

When I rejoined El Nino, my mandate was to refinance the company and in extremely difficult our financial team accomplished that objective. From there, working in conjunction with the board of directors and our technical team, we continue to advance its projects in the DRC and Canada.

In the Fall of 2009, we then worked tirelessly with Mr. Kavvadias to get his commitment to work with El Nino's management team and together we were to proceed with the further development of our DRC projects. At the end of 2009, El Nino raised sufficient working capital to stabilize our balance sheets, and complete the geochemical program (which was positive) and to finance the drilling which was slated for April 2011. Previously, the Kasala project had produced exceptional drill results which we believe demonstrated that it was the beginning of a new copper discovery

When I committed to become the Chairman and acting CEO, a court action was already underway. After several rounds of talks and negotiations, Mr. Kavvadias gave me a verbal commitment and shook my hand and we agreed that the past was the past and that we would put our differences behind us and together we would work to develop our DRC projects.

Subsequently, due to a court action initiated by Mr. Kavvadias in the DRC, I personally visited two African countries to do my best efforts convince him that his actions were unfounded and unfair to our shareholders who had committed millions of dollars to the DRC which lead to the Kasala Copper discovery and to once again get Mr. Kavvadias to recommit to our cause and work with El Nino's management to proceed with the further development of our projects. Our negotiations and efforts were unsuccessful.

Unfortunately, I had to advise the board that we would have no choice but to defend our rights and take counter actions to protect our assets on behalf of the shareholders of El Nino due to Mr. Kavvadias' continued unreasonable and unrealistic demands. I personally never intended to get this involved in an unproductive, prolonged series of court actions which have caused our shareholders and management undue hardship but looking back I do not see how we had any choice..

Then as now, I believe in the Democratic Republic of Congo and its vast mineral wealth, more specifically, that with continued support from the government and its citizens, foreign companies like El Nino, will continue to invest in their country.

El Nino's objective is to utilize the people of the DRC's expertise, and blend that expertise with our technical and financial ability to develop of our existing projects.

Going forward, our mandate is to acquire new projects and ultimately to create additional jobs, further educate the local communities that are projects are located in and be environmentally responsible and respectful of country. I believe the accomplishment of this corporate vision will also help grow the DRC's economy.

The companies I have been associated with, including the [International Metals Group](#), have completed over 30 option/joint venture agreements with major mining companies, approximately 15 with mid-tier companies and over 200 with junior mining companies on an International scale. Combining our joint ventures with the equity we collectively raised approximately \$500 million to complete our objectives to date.

I am very proud to say that during my tenure as Chairman and acting CEO with El Nino Ventures, our legal, technical, financial and administrative team have both achieved and exceeded its objectives. Despite management's continued efforts, we cannot guarantee that the final result will be in our favour. However, we will persevere and based on the achievements which we have purposely and painfully overstated in this release, we believe we will accomplish our objectives.

Our technical team is currently finalizing exploration plans to continue the development of our DRC projects and those announcements will be forthcoming.

On behalf of the shareholders and board of directors of El Nino Ventures, I would like thank you for your ongoing support.

"Harry Barr"

Harry Barr, Chairman and Acting CEO

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