FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Lakota Resources Inc. (the "**Corporation**")
450, 407 - 2nd Street SW
Calgary, Alberta
T2P 2Y3

2. Date of Material Change

October 28, 2009.

3. News Release

A press release, a copy of which is attached as Schedule "A" hereto, disclosing the material change was issued through the facilities of Canada NewsWire Limited on October 28, 2009.

4. Summary of Material Change

On October 28, 2009, the Corporation announced that all of the directors and management resigned and were replaced by Mr. Paul Conroy, Mr. Raymond Hodgkinson and Mr. Derek Batorowski. Mr. Paul Conroy has been appointed President and Chief Executive Officer of Lakota.

5. Full Description of Material Change

On October 28, 2009, the Corporation announced that all of the directors and management resigned and were replaced by Mr. Paul Conroy, Mr. Raymond Hodgkinson and Mr. Derek Batorowski. Mr. Paul Conroy has been appointed President and Chief Executive Officer of Lakota.

The replacement of the board and management was completed in conjunction with the completion of a loan agreement between Lakota with BEC International Corporation ("**BEC**"). BEC has made loans to the Company totaling approximately $620,000 (the "**BEC Loan**") in order to allow Lakota to complete proposal proceedings pursuant to the Bankruptcy and Insolvency Act (Canada) (the "**BIA**"). BEC is a Saskatchewan-based investment firm that owns approximately 9% of the shares of Lakota.

Throughout 2009, Lakota had been unable to attract sufficient financing to support its operations. The financial short-fall was so severe that Lakota was unable to complete its annual financial statements for the 2008 financial year (or any other public disclosure). On July 13, 2009, the Ontario Securities Commission imposed a cease trade order on the shares of Lakota and the TSX Venture Exchange delisted the shares from trading.

Given its severe financial difficulties, on August 4, 2009, the Company initiated proposal proceedings pursuant to the BIA with the intention of selling all or substantially all of its assets to Whippoorwill Holdings Limited and utilizing the proceeds to advance a proposal to its creditors to compromise their claims (the "**Original Proposal**"). At the time the Original Proposal was advanced, Farber & Partners Inc. was appointed as proposal trustee (the "**Trustee**") of the Company pursuant to the BIA. The Original Proposal would have resulted in a significant loss for creditors and would have left the Company with no assets, effectively wiping out shareholders.

In August, 2009, after learning of the Original Proposal, BEC offered to make the BEC Loans available to Lakota to enable it to make what BEC was certain was a superior BIA proposal (the "**BEC Proposal**") to Lakota's creditors. The BEC Proposal provided for, among other things, the completion of the BEC Loans in an amount sufficient to allow distributions to Lakota's creditors in an amount greater than that provided for in the Original Proposal. The BEC Proposal also contemplated the replacement of the board and management of the Company. Most importantly, it allowed Lakota to retain all of its assets.

Lakota was eventually persuaded that the BEC Proposal was both superior to the Original Proposal and capable of being implemented in a timely fashion. Lakota therefore terminated its arrangements with Whippoorwill Holdings Limited and agreed to take the BEC Proposal to the Lakota's creditors. At a meeting of Lakota's creditors on August 27, 2009, a sufficient double majority (as required under the BIA) of the creditors of the Company voted in favour of the BEC Proposal. Approval of the BEC Proposal was obtained from the court on September 14, 2009.

The BEC Proposal contemplates a compromise of the claims of all creditors of Lakota (other than the BEC Loans, the claims of certain government creditors, and the claims of professionals for their fees associated with the proposal proceeding). All such creditors will be paid a distribution and their claims against Lakota will be extinguished. The BEC Loans are secured by all of the assets of Lakota, including the shares of its Tanzanian subsidiaries. Following distributions to creditors and the payment of costs under the BEC Proposal, Lakota is expected to have cash of approximately $100,000.

The new board intends to immediately begin to:

- assess the status of the Company's operations in Tanzania;
- seek sources of additional debt and equity financing; and
- bring the Company into compliance with its public company reporting obligations (including the completion of outstanding financial statements) and work to remove the cease trade order to which the Company is subject.

The Company intends to review opportunities to obtain a listing on a stock exchange as soon as it is able to complete additional funding and remedy its current filing deficiencies.

6. Reliance on subsection 7.1(2) of NI 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For further information concerning the material change described herein, please contact Mr. Paul Conroy at (403) 237-6150.

9. Date of Report

October 29, 2009.

SCHEDULE "A"

PRESS RELEASE

(Attached)

News release via Canadian NewsWire Limited, Calgary, 403-269-7605

Attention Business/Financial Editors:
Lakota announces appointment of new board and management and provides update on the status of re-organization

Lakota Resources Inc. ("**Lakota**" or the "**Company**") announces that all of the directors and management have resigned effective today. In their place, Mr. Paul Conroy, Mr. Raymond Hodgkinson and Mr. Derek Batorowski have been appointed as directors. Mr. Paul Conroy has been appointed President and Chief Executive Officer of Lakota.

The replacement of the board and management was completed in conjunction with the completion of a loan agreement between Lakota with BEC International Corporation ("**BEC**"). BEC has made loans to the Company totaling approximately $620,000 (the "**BEC Loan"**) in order to allow Lakota to complete proposal proceedings pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). BEC is a Saskatchewan-based investment firm that owns approximately 9% of the shares of Lakota.

Throughout 2009, Lakota had been unable to attract sufficient financing to support its operations. The financial short-fall was so severe that Lakota was unable to complete its annual financial statements for the 2008 financial year (or any other public disclosure). On July 13, 2009, the Ontario Securities Commission imposed a cease trade order on the shares of Lakota and the TSX Venture Exchange delisted the shares from trading.

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The new board intends to immediately begin to:

- assess the status of the Company's operations in Tanzania;
- seek sources of additional debt and equity financing; and
- bring the Company into compliance with its public company reporting obligations (including the completion of outstanding financial statements) and work to remove the cease trade order to which the Company is subject.

The Company intends to review opportunities to obtain a listing on a stock exchange as soon as it is able to complete additional funding and remedy its current filing deficiencies.

For additional information regarding the Company please contact Mr. Paul Conroy, (403) 237-6150.

Forward-Looking Information

All statements, other than statements of historical fact, in this news release are forward-looking statements that involve various risks and uncertainties, including, without limitation, statements regarding the future plans and objectives of Lakota. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral forward-looking statements are based on the estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Lakota assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change.