

Form 51-102F3

Material Change Report

1. REPORTING ISSUER

Canoro Resources Ltd.
c/o Suite 1620 400 Burrard Street
Vancouver, British Columbia, V6C 3A6

2. DATE OF MATERIAL CHANGE

August 27 and August 31, 2010

3. NEWS RELEASE

On each of August 30 and 31, 2010, Canoro Resources Ltd. (the "Company") issued a news release through Stockwatch, which was also filed by the Company on SEDAR.

4. SUMMARY OF MATERIAL CHANGE

On August 30, 2010, the Company announced that it had received notice from the Government of India, Ministry of Petroleum & Natural Gas (the "Ministry") that the Ministry is terminating the Production Sharing Contract respecting the Amguri Field (the "Amguri PSC"). The Company also announced that it had received a notice of arbitration from Assam Company Limited ("Assamco") respecting the various disputes between the parties under the Joint Operating Agreement relating to the Amguri PSC, which were detailed in the Company's press release dated June 7, 2010. On August 31, 2010 the Company obtained an interim injunction from the Indian court, prohibiting the termination of the Amguri PSC.

In its news release dated August 30, 2010, the Company also announced that Ravin Prakash had been appointed President and Chief Executive Officer of the Company. Robert Wynne, the Company's former President and Chief Executive Officer had been appointed Vice-President of the Company.

5. FULL DESCRIPTION OF MATERIAL CHANGE

On August 30, 2010, the Company announced that it had received notice from the Ministry that the Ministry is terminating the Amguri PSC. The Company also announced that it had received a notice of arbitration from Assamco respecting the various disputes between the parties under the Joint Operating Agreement relating to the Amguri PSC, which were detailed in the Company's press release dated June 7, 2010.

On August 31, 2010 the Company obtained an interim injunction from the Indian court, prohibiting the termination of the Amguri PSC.

In its news release dated August 30, 2010, the Company also announced that Ravin Prakash had been appointed President and Chief Executive Officer of the Company. Robert Wynne, the Company's former President and Chief Executive Officer had been appointed Vice-President of the Company.

6. RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

7. **OMITTED INFORMATION**

No significant facts otherwise required to be disclosed in this report have been omitted.

8. **EXECUTIVE OFFICER**

The following executive officer of the Issuer is knowledgeable about the material change and may be contacted by any of the Securities Commissions in respect to the change:

James M. Carter
Chief Financial Officer
604-408-8538

9. **Date of Report**

September 3, 2010