FNX MINING COMPANY INC.

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

FNX MINING COMPANY INC., 55 University Avenue, Suite 700, Toronto, Ontario, M5J 2H7.

Item 2. Date of Material Change

September 17, 2007.

Item 3. News Release

The Press Release was sent on September 4, 2007 via Marketwire—Toronto, Ontario.

Item 4. Summary of Material Change

For further information, attached hereto is a copy of the Press Release.

Item 5. Full Description of Material Change

For further information, attached hereto is a copy of the Press Release.

Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Executive Officer

Terry MacGibbon, President & Chief Executive Officer [416] 628-5929.

Item 9. Date of Report

September 4, 2007.

FNX Appoints John W. Lill President and CEO

TORONTO: September 4, 2007 - **FNX Mining Company Inc. (TSX-FNX) ("FNX" or the "Company")** – Terry MacGibbon, current President and CEO and, effective September 17th, Executive Chairman of FNX Mining Company Inc.'s Board of Directors, is pleased to announce the appointment of John Lill as President and Chief Executive Officer of the Company and to the FNX Board of Directors, effective as of September 17th, 2007.

Mr. Lill has more than 30 years experience in the mining industry in both operating and senior executive roles. He is a Mining Engineering graduate of Queen's University with a Bachelor of Science (Hons) degree and is a professional engineer registered with the Ontario Professional Engineers and APEGGA (Alberta).

Over the course of his career Mr. Lill has held senior executive positions with several mining companies and has worked and lived in Africa, USA, Canada and South America. From 2003-2007 John was Executive Vice President, Chief Operating Officer and Director of Dynatec Corporation and responsible for mining operations for the FNX-Dynatec Sudbury Basin Joint Venture; he was also a Dynatec representative on the FNX Board of Directors. Other career highlights include appointments as Manager Mining at Rio Tinto's Palabora Mining Company, South Africa when it was a 350,000 tpd copper open pit; Senior Vice President US Operations for Barrick Gold Corporation during the development of the Goldstrike Mine to a 450,000 tpd operation producing over two million ounces of gold, President Barrick Chile and President and Chief Operating Officer Base Metals for BHP Billiton. During his time with BHP Billiton and predecessor companies, he was Executive Chairman of the owners' management committee with overall responsibility for the construction phase of the US$2.3 billion Antamina Mine development. While at Dynatec, he advanced the US$3.3 billion Ambatovy nickel laterite project from pre-feasibility stage through to signing of the project financing and commencement of construction. Mr. Lill is an experienced Director of public companies having served on a number of boards including Western Oil Sands, Dynatec Corporation and FNX.

Terry MacGibbon, Executive Chairman of FNX states that, "John not only brings to FNX a unique and successful personal record of operations and project development at some of the largest and most efficient mine sites in the world, but is very familiar with the Company and our operations in Sudbury, Ontario. As Chief Operating Officer at Dynatec, the Company's former Sudbury Basin Joint Venture Partner, John was instrumental in helping FNX go from a start-up junior exploration company with no production to, in just four years, having three deposits in production that are expected to produce nearly one million tons of ore this year. He is well suited to successfully accomplish the Company's plans to significantly increase FNX's current production by putting two more deposits into production by 2009, while ensuring the Company operates in a safe, environmentally friendly and profitable manner." He added "I have known and worked with John, both in the board room and as a joint venture partner, over the past several years and am delighted that John has agreed to join the Company as our President and Chief Executive Officer. I look forward to working together with John in our new roles to grow the Company into a major mining company and to add significant shareholder value. The Company's shareholders will greatly benefit from his world-wide and Sudbury experience, expertise and his future contributions to the Company in this leadership role. I join the FNX Board, shareholders and employees in welcoming John to the FNX team."

John Lill noted that, "Given my previous experience with FNX's personnel and Sudbury properties and past positive working relationships with FNX senior management and directors, joining FNX was an easy decision to make. I see FNX as being extremely well positioned for rapid value added growth and look forward to working with the excellent FNX personnel, management team and board to continue and expand upon the Company's great record of creating shareholder value."

About FNX

FNX operates, develops and explores for nickel, copper, cobalt, platinum, palladium and gold in the prolific Sudbury mining camp. The Company mines ore from the Levack Complex, transports it to surface, crushes and samples the ore and trucks it to third party facilities to be milled, smelted, refined and marketed. FNX has ambitious plans to significantly increase ore and metal production over the next three. Well financed, generating strong cash flow and debt free, FNX is positioned for rapid growth.

Forward-Looking Statement

This news release contains certain forward-looking statements. These forward-looking statements are subject to a variety of risks and uncertainties beyond the company's ability to control or predict which could cause actual events or results to differ materially from those anticipated in such forward-looking statements. In this news release, statements reserve and resource estimates, and their future economic viability are examples of forward-looking statements. There is no guarantee that any of the mineral resources described here will be commercially viable. Accordingly, readers should not place undue reliance on forward-looking statements.

For further information, please contact:

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