Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

FNX Mining Company Inc. (the "**Company**")
145 King Street West, Suite 1500
Toronto, ON M5H 1J8

Item 2. Date of Material Change

May 21, 2010

Item 3. News Release

On May 21, 2010, the Company issued a joint news release with Quadra FNX Mining Ltd. (formerly Quadra Mining Ltd.) ("**Quadra**") through the services of Marketwire.

Item 4. Summary of Material Changes

On May 21, 2010, the Company and Quadra announced the completion of a merger in which Quadra acquired of all of the issued and outstanding common shares of the Company.

Item 5. Full Description of Material Change

On May 21, 2010, the Company and Quadra announced the completion of a merger of the two companies. The merger was structured as a court-approved plan of arrangement (the "**Transaction**") under the *Business Corporations Act* (Ontario) pursuant to which Quadra has acquired all of the issued and outstanding common shares of the Company. Under the terms of the Transaction, former shareholders of the Company are entitled to receive 0.87 common shares of Quadra and $0.0001 for each common share of the Company, subject to adjustment for fractional shares. Outstanding options and warrants to acquire the Company's shares have been converted into options and warrants to acquire shares of Quadra, adjusted in accordance with the same exchange ratio. The Company will be delisted from the Toronto Stock Exchange on or about May 26, 2010.

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

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. <u>Executive Officer</u>

The name and business telephone number of an officer who is knowledgeable about the material change and this report is as follows:

Paul Blythe, President and Chief Executive Officer
Phone: 604-689-8550

Item 9 <u>Date of Report</u>

May 26, 2010.