FORM 27 – MATERIAL CHANGE REPORT UNDER
SECTION 75(2) OF THE *SECURITIES ACT* (ONTARIO)

*Note: This Report is itemized pursuant Form 27 of the Securities Act (Ontario) (the "**Act**"), and is being filed concurrently with the Alberta Securities Commission and British Columbia Securities Commission. This Report is also being filed with the Canadian Venture Exchange.*

1. **Reporting Issuer**

Pele Mountain Resources Inc. (the "**Issuer**")
2200 Yonge Street
Suite 1002
Toronto, ON M4S 2C6

2. **Date of Material Change**

February 14, 2002

3. **Press Release**

Press Release issued on February 14, 2002 via a Canadian news wire service, a copy of which has been filed via SEDAR.

4. **Summary of Material Change**

The Issuer announced that it issued 170,000 Units (the "**Units**") from its capital stock at $0.30 per Unit or $51,000 in the aggregate to a single off-shore arm's length subscriber on February 14, 2002. Each Unit is comprised of one (1) common share of the Issuer and one (1) Series D Purchase Warrant, each Series D Purchase Warrant entitling the holder thereof to acquire an additional common share of the Issuer at $0.50 per share expiring on November 14, 2002.

5. **Full Description of Material Change**

Please see attached Press Release issued February 14, 2002.

6. **Reliance on Section 75(3) of the Act**

Not Applicable.

7. **Omitted Information**

No information has been omitted from this material change report.

8. **Senior Officer**

Alan L. Shefsky, President and Chief Executive Officer
Telephone: 416-368-7224
Facsimile: 416-368-7230
Internet: www.pelemountain.com

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto this 14th day of February, 2002.

PELE MOUNTAIN RESOURCES INC.

Per: "*Alan L. Shefsky*"
Alan L. Shefsky
President and Chief Executive Officer

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Pele Mountain Resources Inc.

Symbol: YPN

Listing: The Canadian Venture Exchange

FOR IMMEDIATE RELEASE

February 14, 2002, Toronto: Pele Mountain Resources Inc. ("**Pele**") (**CDNX:YPN**) announced today that it has closed its previously announced (January 17, 2002) non-brokered private placement offering (the "Offering") with a single arm's length off-shore investor for 170,000 units in the capital of Pele (the "Units") at a purchase price of $0.30 per Unit for total aggregate proceeds of $51,000. Each Unit is comprised of one (1) common share of Pele and one (1) Series D purchase warrant, where each Series D purchase warrant is exercisable to acquire an additional common share of Pele at a purchase price of $0.50 per common share, expiring November 14, 2002. The securities underlying the Units are subject to a CDNX imposed four month hold period. Proceeds will be used for general administrative and working capital purposes.

Pele is a Canadian mining exploration and development company and a leader in the search for economic diamond deposits in Northern Ontario. Pele controls a 100% mineral rights interest in the 101 square km Festival Property, which is located 25 kms north of Wawa. Pele also owns a 100% interest in two gold projects in northwestern Ontario.

Currently, Pele has 24,688,981 common shares issued and outstanding, which total includes today's issuance of 170,000 common shares of Pele pursuant to the private placement referred to above.

For further information please contact Al Shefsky, President at (416) 368-7224, or visit our website at www.pelemountain.com.

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.