FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Pele Mountain Resources Inc. (the "**Issuer**")
2200 Yonge Street
Suite 905
Toronto, ON M4S 2C6

Item 2. Date of Material Change

January 16, 2008

Item 3. News Release

Press release issued by the Issuer on January 16, 2008 via a Canadian news wire service, a copy of which has been filed via SEDAR.

Item 4. Summary of Material Change

The Issuer announced the granting of incentive stock options to certain directors, officers, employees and consultants of the Issuer under its Stock Option Plan to acquire up to an aggregate of 1,400,000 common shares of the Issuer.

Item 5. Full Description of Material Change

The Issuer granted 600,000 incentive stock options to the Issuer's Chief Executive Officer (the "**Executive Options**") and an aggregate of 500,000 incentive stock options to the remaining five (5) directors of the Issuer under its Stock Option Plan (collectively, the "**Director Options**") to acquire up to an aggregate of 1,100,000 common shares of the Issuer. All Executive Options and Director Options are exercisable at $0.50 per share being equal to or greater than the closing price of the Issuer's common shares on the TSX Venture Exchange ("**TSX-V**") on the date immediately preceding the grant. The Executive Options expire on December 31, 2009 and the Director Options expire on December 31, 2012.

In addition, the Issuer also announced that it has granted 150,000 incentive stock options to certain employees (the "**Employee Options**") to acquire up to an aggregate of 150,000 common shares of the Issuer. The Employee Options are exercisable at $0.50 per common share, being equal to or greater than the closing price of the Issuer's common shares on the TSX-V on the date immediately preceding the grant and expire on December 31, 2009.

The Issuer also announced that it has granted 150,000 incentive stock options to certain consultants of the Issuer (the "**Consultant Options**") to acquire up to an aggregate of 150,000 common shares of the Issuer. The Consultant Options are exercisable at $0.50 per common share, being equal to or greater than the closing price of the Issuer's common shares on the TSX-V on the date immediately preceding the grant and expire on December 31, 2008.

All options granted and any common shares issued upon their due exercise will be subject to a statutory four-month hold expiring May 16, 2008. The granting of the options are subject to regulatory acceptance of applicable filings.

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

Not Applicable.

Item 7. Omitted Information

No information has been omitted from this material change report.

Item 8. Executive Officer

The following senior office of the Issuer is knowledgeable about the material change and the Report and may be contacted by the Commission as follows:

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

Item 9. Date of Report

January 21, 2008