

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

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

Item 2. Date of Material Change

September 13, 2011

Item 3. News Release

Press release issued by Pele on September 13, 2011 via a Canadian news wire service, a copy of which has been filed via SEDAR.

Item 4. Summary of Material Change

Pele announced today that it has granted 200,000 incentive stock options to Mr. Roger Payne, the Company's Executive Vice President (the "**Executive Options**").

Item 5. Full Description of Material Change

As previously announced on July 27, 2011, Mr. Payne who has accepted the appointment to serve as Pele's Executive Vice President joins the Pele team to advance mine development at the Pele's Eco Ridge Mine Rare Earths and Uranium Project in Elliot Lake, Ontario.

Mr. Payne has more than 40 years of professional engineering experience in Europe, Africa, and the Americas, including nearly 20 years in the Elliot Lake mining camp with Rio Algom Limited. After serving in a number of technical positions, he ultimately oversaw the exemplary and precedent-setting mine closure process at Elliot Lake through the 1990s, serving as Manager of Environment & Decommissioning and then as General Manager. He has contributed to Pele as a consultant at its Eco Ridge Mine Rare Earths and Uranium Project since 2008.

The Executive Options are exercisable at \$0.25 per share being equal to or greater than the closing price of Pele's common shares on the TSX Venture Exchange on the date immediately preceding the grant. The Executive Options expire on December 31, 2013.

All options granted and any common shares issued upon their due exercise will be subject to a statutory four-month hold expiring January 14, 2012. 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 officer of Pele 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

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Item 9. Date of Report

September 14, 2011.