FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Prize Mining Corporation (“**Prize**”)
3004 Ogden Road S.W.
Calgary, Alberta
T2G 4N5

2. **Date of Material Change**

December 14, 2006

3. **News Release**

A press release was disseminated on December 15, 2006 via Stockwatch.

4. **Summary of Material Change**

Prize closed the second tranche of its private placement of units (“**Units**”) and flow-through shares (“**Flow-Through Shares**”).

5. **Full Description of Material Change**

An aggregate of 560,000 Units were issued at a price of $0.22 per Unit for gross proceeds of $123,200 and an aggregate of 1,669,000 Flow-Through Shares were issued at a price of $0.27 per Flow-Through Share for gross proceeds of $450,630. Each Unit consists of one common share and one-half of one common share purchase warrant (“**Warrant**”). Each full Warrant is exercisable at $0.35 per common share for a period of one year from closing. The securities issued pursuant to this tranche of the private placement are subject to a statutory resale restriction period of four months, which expires on April 15, 2007.

Finders acting in connection with the second tranche of the private placement received an aggregate fee of $35,027 and 159,215 irrevocable non-transferable options to purchase common shares of Prize at a price of $0.22 per share, which may be exercised on or before December 14, 2007.

Proceeds of the private placement will be used to fund the 10,000 tonne bulk sample to be taken by Prize from the Yellowjacket Zone of Prize's Atlin Gold Property and for general working capital.

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

Not Applicable

7. **Omitted Information**

Not Applicable

8. **Executive Officer**

The name and business number of the executive officer of Prize Mining Corporation who is knowledgeable about the material change and this report is:

Harry McGucken
President and Chief Executive Officer
Telephone: (403) 236-2222

9. **Date of Report**

December 15, 2006