FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Prize Mining Corporation ("Prize" or the **"Corporation")**
Suite 810, 706 - 7th Avenue S.W.
Calgary, Alberta
T2P 0Z1

2. **Date of Material Change**

February 15, 2011 and February 22, 2011

3. **News Release**

Press releases were disseminated on February 15, 2011 and February 22, 2011 via Marketwire.

4. **Summary of Material Change**

Prize completed a non-brokered private placement of units ("**Units**") in two tranches closing on February 15, 2011 and February 22, 2011, respectively. The Corporation issued an aggregate of 8,154,400 Units at a price of $0.25 per Unit for total gross proceeds of $2,038,600.

5.1 **Full Description of Material Change**

Prize completed a non-brokered private placement of Units in two tranches closing on February 15, 2011 and February 22, 2011, respectively. The Corporation issued an aggregate of 8,154,400 Units at a price of $0.25 per Unit for total gross proceeds of $2,038,600. It is anticipated that the proceeds of the private placement will be used for general working capital purposes.

The first tranche of the private placement closed on February 15, 2011. The Corporation issued 7,526,400 Units at a price of $0.25 per Unit for gross proceeds of $1,881,600 in the first closing. Each Unit issued pursuant to the private placement is comprised of one common share of the Corporation ("**Common Share**") and one common share purchase warrant ("**Warrant**"). Each Warrant issued pursuant to the first tranche of the private placement entitles the holder to acquire one Common Share at a price of $0.30 per Common Share until February 15, 2013. All securities issued in connection with the first tranche of the private placement are subject to a four-month hold period, which expires on June 16, 2011.

Directors and officers of the Corporation acquired 680,000 Units pursuant to the first tranche of the private placement. The Corporation has determined that exemptions are available for the various requirements of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 for the issuance of the Units to insiders of the Corporation.

The second tranche of the private placement closed on February 22, 2011. The Corporation issued 628,000 Units at a price of $0.25 per Unit for gross proceeds of $157,000 in the second closing. Each Unit issued pursuant to the private placement is comprised of one Common Share and one Warrant. Each Warrant issued pursuant to the second tranche of the private placement entitles the holder to acquire one Common Share at a price of $0.30 per Common Share until February 22, 2013. All securities issued in connection with the second tranche of the private placement are subject to a four-month hold period, which expires on June 23, 2011.

Following the completion of the second tranche of the private placement, the Corporation has 12,187,351 Common Shares issued and outstanding.

Completion of the private placement is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals including TSX Venture Exchange acceptance.

5.2 **Disclosure for Restructuring Transactions**

Not Applicable.

6. **Reliance on Section 7.1(2) 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 who is knowledgeable about the material change and this report is:

Jim Glass
President and Chief Executive Officer
Telephone: (403) 236-2222

9. **Date of Report**

February 23, 2011