Form 51-102F3

Material Change Report

Item 1: Name and Address of Company

PURE DIAMONDS EXPLORATION INC.
1255 West Pender Street
Vancouver, British Columbia V6E 2V1

(the "Company")

Item 2 Date of Material Change

August 20, 2007

Item 3 News Release

The news release was disseminated on August 20, 2007 by way of the facilities of Filing Services Canada Inc., Vancouver Stockwatch and Market News. Copies were also forwarded to the British Columbia Securities Commission, Alberta Securities Commission, Saskatchewan Financial Services Commission, Manitoba Securities Commission and the Ontario Securities Commission via SEDAR.

Item 4 Summary of Material Change

The Company closed the non-brokered private placement at $0.24 per flow-through unit.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Further to the Company's news release dated July 13, 2007, the non-brokered private placement (the "Offering") of up to 4,200,000 flow-through units (the "FT Units") at a price of $0.24 per FT unit has closed. The Company placed 2,295,166 FT Units raising gross proceeds of $550,839.84. Each FT Unit consists of one flow-through common share and one half of one common share purchase warrant. Each whole warrant entitles the holder to purchase one non-flow-through common share at a price of $0.40 per share until February 20, 2009.

The FT Units are subject to a hold period that expires on December 21, 2007.

The Company paid two Finder's Fees, on a portion of the Offering.

The Offering includes participation by Donald R. Sheldon, an insider of the Company on the same terms as the arm's length investors and his shareholdings increased accordingly. Mr. Sheldon purchased 116,666 FT Units.

The participation by insiders in the private placement is considered to be a “related party transaction” as defined under Ontario Securities Commission Rule 61-501 (the “Rule”). The transaction is exempt from the formal valuation and minority shareholder approval requirements of the Rule as neither the fair market value of the securities being issued nor the consideration being paid exceeds 25% of Pure Diamonds’ market capitalization.

The gross proceeds of the Offering will be used to finance general exploration expenditures on its High Artic Properties, which will constitute Canadian exploration expenses (as defined in the Income Tax Act) and will be renounced for the 2007 taxation year

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Gordon Keevil, President

Business Telephone: (604) 687-2038
Facsimile: (604) 687-3141

Item 9 Date of Report

August 21, 2007.