

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

***Item 1 Name and Address of Company***

State the full name of your company and the address of its principal office in Canada.

Hathor Exploration Limited (“**Hathor**” or the “**Company**”)  
Suite 1810, 925 West Georgia Street  
Vancouver, British Columbia  
V6C 3L2

***Item 2 Date of Material Change***

State the date of the material change.

October 19, 2011

***Item 3 News Release***

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

The news release dated October 19, 2011 was disseminated to the TSX and through various approved public media and filed on SEDAR with the securities commissions of British Columbia, Alberta, and Ontario.

***Item 4 Summary of Material Change(s)***

Provide a brief but accurate summary of the nature and substance of the material change.

- Rio Tinto plc, through an indirect wholly-owned subsidiary (“**Rio Tinto**”) is to make an all-cash offer for all the common shares of Hathor for C\$4.15 per common share, representing a premium of more than 55 per cent to Hathor’s unaffected closing price on August 25, 2011.
- Hathor’s board of directors unanimously recommends shareholders accept the Rio Tinto offer.
- Hathor directors and senior management have entered into lock-up agreements with Rio Tinto and have agreed to tender all of their common shares to the Rio Tinto offer.
- The acquisition of Hathor bolsters Rio Tinto’s global uranium strategy and complements its current exploration programmes in Saskatchewan and its uranium operations elsewhere in the world.
- The technical foundation established by Hathor coupled with Rio Tinto’s world-class expertise and anticipated investment will unlock the full potential of the exploration properties for the benefit of Saskatchewan and Canada.

## ***Item 5 Full Description of Material Change***

### **5.1 Full Description of Material Change**

Rio Tinto and Hathor have agreed that Rio Tinto will make an offer to acquire all of the common shares of Hathor for C\$4.15 in cash per common share (the “**Rio Tinto offer**”). The value of the Rio Tinto offer is approximately C\$578 million on a fully-diluted basis. Rio Tinto and Hathor have entered into a support agreement (the “**Support Agreement**”) for the Rio Tinto offer.

The Rio Tinto offer represents a premium of approximately 11 per cent to Cameco Corporation’s unsolicited offer for Hathor of C\$3.75 per common share and a premium of 55.4 per cent to Hathor’s closing share price of C\$2.67 on the Toronto Stock Exchange (the “**TSX**”) on 25 August 2011.

Rio Tinto’s strategy is to invest in the primary uranium producing regions of the world to develop long-life, low-cost operations. The acquisition of Hathor provides a quality opportunity to expand the Rio Tinto presence in the Athabasca Basin which currently provides approximately 20 per cent of global uranium production.

Rio Tinto’s expertise in exploration, innovative mining techniques, technology and commitment to sustainable development will complement and build upon the strong technical foundation established by Hathor at Roughrider – an emerging significant high-grade deposit. Rio Tinto intends to accelerate the investigation and assessment of the exploration properties to unlock their full potential, consistent with its global safety and community standards. Rio Tinto’s investments in Saskatchewan will support the diversification and development of the regional economy, building on its significant presence in Canada.

The Special Committee of Hathor reviewed the terms and conditions of the Rio Tinto offer and considered a number of factors, including a verbal opinion from Canaccord Genuity Corp., financial advisor to Hathor, and Scotia Capital Inc., financial advisor to the Special Committee, before concluding the offer is superior to the existing offer from Cameco and fair to Hathor shareholders.

Hathor’s board of directors, after receiving the recommendation of the Special Committee, has unanimously determined that the Rio Tinto offer is in the best interests of Hathor’s shareholders and unanimously recommends that shareholders accept the Rio Tinto offer.

The directors and senior management of Hathor have entered into lock-up agreements with Rio Tinto and have agreed to tender all of their common shares to the Rio Tinto offer. The common shares subject to the lock up agreements equal 6,351,400 or approximately 4.6 per cent on a fully diluted basis.

The Support Agreement provides that board of directors of Hathor may under certain circumstances terminate the Support Agreement in favour of an unsolicited superior proposal, subject to the payment of a break fee of C\$20 million and subject to a right by Rio Tinto to match such superior proposal.

Full details of the Rio Tinto offer will be included in a takeover bid circular that is expected to be mailed to Hathor shareholders early in the week of October 24, 2011. The Rio Tinto offer will be open for a period of not less than 35 days and the Rio Tinto offer will be subject to certain customary conditions, including there having been validly deposited and not withdrawn at the

expiry time of the Rio Tinto offer that number of Hathor common shares which together with any common shares beneficially owned by Rio Tinto or its affiliates, constitutes at least 66 $\frac{2}{3}$  per cent of the outstanding common shares of Hathor on a fully diluted basis and receipt of all required regulatory approvals. Affiliates of Rio Tinto hold 7,890,200 common shares of Hathor or approximately 5.7 per cent on a fully diluted basis. The Rio Tinto offer is not subject to any financing conditions. If the Rio Tinto offer is successful, Rio Tinto intends to take steps available to it under corporate and securities laws to acquire any remaining outstanding Hathor common shares.

### **About Rio Tinto**

Rio Tinto is a leading international mining group headquartered in the United Kingdom, combining Rio Tinto plc, a London and NYSE listed company, and Rio Tinto Limited, which is listed on the Australian Securities Exchange.

Rio Tinto's business is finding, mining, and processing mineral resources. Major products are aluminium, copper, diamonds, energy (coal and uranium), gold, industrial minerals (borax, titanium dioxide, salt) and iron ore. Activities span the world but are strongly represented in Australia and North America with significant businesses in South America, Asia, Europe and southern Africa.

### **About Hathor**

Hathor is a junior uranium company focused on exploration projects in the Athabasca Basin of northern Saskatchewan, Canada. Hathor's goal is to discover, advance and develop high-grade, world-class uranium deposits. Hathor's main exploration properties are located within the eastern corridor of the Athabasca Basin which hosts all of Canada's producing uranium mines and accounts for approximately 20 per cent of global production. Hathor is currently advancing its Roughrider uranium deposit, a significant high-grade uranium exploration and mining project. The Company is well financed to advance its projects. The Company's technical and management team have recognised expertise.

If shareholders wish to obtain any information about this transaction, please contact the information agent, Phoenix Advisory Partners, at 1-800-243-1162. For any other information on the Company, please visit the Company's website at [www.Hathor.ca](http://www.Hathor.ca).

### **5.2 Disclosure for Restructuring Transactions**

N/A

### ***Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102***

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102, state the reasons for that reliance.

N/A

### ***Item 7 Omitted Information***

State whether any information has been omitted on the basis that it is confidential information.

N/A

***Item 8 Executive Officer***

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or the name of an officer through whom such executive officer may be contacted.

Michael Gunning  
President, Chief Executive Officer and Director  
Suite 1810, 925 West Georgia Street  
Vancouver, British Columbia V6C 3L2

Tel: (604) 684-6707

***Item 9 Date of Report***

October 24, 2011