

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

Item One – Name and Address of Company

Advanced Primary Minerals Corporation
99 Wyse Road
Suite 1480
Dartmouth NS B3A 4S5

Item Two - Date of Material Change

July 3, 2012

Item Three - News Release

The attached news release was issued in Halifax, Nova Scotia on July 3, 2012, via Marketwire.

Item Four - Summary of Material Change

On July 3, 2012, Advanced Primary Minerals Corp. (TSXV:APD) ("**APM**" or "**Corporation**") announced that the Corporation's wholly owned subsidiary, Advanced Primary Minerals USA Corp. ("**APM USA**"), has completed the sale of APM USA's operating assets and select real property in Georgia, USA.

Item Five - Full Description of Material Change

On July 3, 2012, the Corporation announced that the sale of APM USA's operating assets and select real property in Georgia, USA has been completed. The sale of APM USA's operating assets and select real property in Georgia was to Paul Coughlan, Vice-President, Business Development of the Corporation, and to a company controlled by Mr. Coughlan and David Avant, Vice-President Operations of the Corporation.

The sale package includes all equipment and leaseholds connected with the Dearing, Georgia, USA leased facility, the 80 acre Tudor mine property and associated mineral resource and data, as well as a 16.9 acre property containing a house and storage building and a 19.47 acre tract of vacant land. The sale price of the assets was US\$893,000 which was settled with US\$492,000 cash on closing and US\$401,000 in assumed liabilities, namely the leases and purchase obligations, primarily for the land and building comprising the Dearing plant, as well as the asset retirement obligations associated with the Tudor mine and Dearing plant site.

The agreement also provides for a royalty payable to the Corporation on annual kaolin mined from the Tudor property in excess of 20,000 tons per year. The proceeds of the sale are expected to be applied to the Corporation's secured promissory note due August 31, 2012 that is payable to the Corporation's parent company, Erdene Resource Development Corp., which owns approximately 60% of the Corporation's issued and outstanding shares.

Item Six – Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item Seven - Omitted Information

Not Applicable.

Item Eight - Executive Officer

Ken W. MacDonald, President and CEO (902) 466-7255.

Item Nine – Date of Report

Executed this 10th day of July, 2012 by Ken W. MacDonald, President and CEO



ADVANCED PRIMARY MINERALS CORP.

APM Completes Sale of Dearing Operating Assets

For Immediate Release

July 3, 2012 – Halifax, Nova Scotia - Advanced Primary Minerals Corporation (the "Corporation" or "APM") (TSXV: APD) is pleased to announce that the Corporation's wholly owned subsidiary, Advanced Primary Minerals USA Corp. ("APM USA"), has completed the sale of APM USA's operating assets and select real property in Georgia, USA to Paul Coughlan, Vice-President, Business Development of the Corporation, and to a company controlled by Mr. Coughlan and David Avant, Vice-President Operations of the Corporation (collectively, the "Buyers"). The Corporation announced the proposed sale in a press release issued on May 30, 2012. The sale package includes all equipment and leaseholds connected with the Dearing, Georgia, USA leased facility, the 80 acre Tudor mine property and associated mineral resource and data, as well as a 16.9 acre property containing a house and storage building and a 19.47 acre tract of vacant land. The sale price of the assets was US\$893,000 which was settled with US\$492,000 cash on closing and US\$401,000 in assumed liabilities, namely the leases and purchase obligations, primarily for the land and building comprising the Dearing plant, as well as the asset retirement obligations associated with the Tudor mine and Dearing plant site.

The agreement also provides for a royalty payable to the Corporation on annual kaolin mined from the Tudor property in excess of 20,000 tons per year. The proceeds of the sale are expected to be applied to the Corporation's secured promissory note due August 31, 2012 that is payable to the Corporation's parent company, Erdene Resource Development Corp. ("Erdene"), which owns approximately 60% of the Corporation's issued and outstanding shares.

Late last week the Corporation announced that it reached agreement in principle with Erdene whereby Erdene will sell all of its North American property interests, comprised primarily of Erdene's interest in the Donkin Coal Project in Cape Breton, Nova Scotia Canada, to APM for share consideration from APM (See APM release dated June 28, 2012). By way of a statutory plan of arrangement, Erdene intends to deliver to Erdene shareholders all of its existing APM shares and those to be received on the sale of its North American property assets to APM.

The proposed transaction will provide the current minority shareholders of APM with exposure to the Donkin Coal Project. For further details regarding the Donkin Coal Project, please visit the Featured Item section of the home page of the Erdene website at www.erdene.com.

About APM

APM, through its wholly owned subsidiary, Advanced Primary Minerals USA Corp, owns property in Georgia containing primary kaolin resource and has been active in Georgia and South Carolina for over 10 years exploring for, evaluating, extensively testing and securing high quality kaolin resources. APM has 26,342,963 shares issued and outstanding and a fully diluted share position of 28,887,629 shares.

Forward-Looking Statements

Certain information regarding APM contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although APM believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. APM cautions that actual performance will be affected by a number of factors, most of which are beyond its control, and that future events and results may vary substantially from what APM currently foresees. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration results, continued availability of capital and financing and general economic, market or business conditions. The forward-looking statements are expressly qualified in their entirety by this cautionary statement. The information contained herein is stated as of the current date and subject to change after that date.

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For more information, please contact:

Ken W. MacDonald, President and CEO, Advanced Primary Minerals Corporation

Phone: (902) 466-7255

For additional information visit APM's website at www.advminerals.com or contact the company via email at info@advminerals.com

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