

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

ITEM 1. NAME AND ADDRESS OF COMPANY

Saturn Minerals Inc.
325 – 744 West Hastings Street
Vancouver, BC V6C 1A5

ITEM 2. DATE OF MATERIAL CHANGE

October 31, 2011

ITEM 3. NEWS RELEASE

News release was filed on SEDAR on October 31, 2011 and distributed via Market Wire on October 31, 2011. A copy of the news release is attached as SCHEDULE A.

ITEM 4. SUMMARY OF MATERIAL CHANGE

Saturn Minerals Inc. announces the signing of an agreement with Fishing Lake First Nation, Kinistin Saulteaux First Nation, The Key First Nation and Yellowquill First Nation for the formation of Inowending Exploration & Development Corp as a unique First Nations/industry co-owned exploration company.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

Full details outlined in the news release attached as SCHEDULE A

ITEM 6. RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

No applicable.

ITEM 8. EXECUTIVE OFFICER

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report:

Vitaly Melnikov
Chief Financial Officer and Corporate Secretary
Telephone: 604-685-6989

ITEM 9. DATE OF REPORT

October 31, 2011

SCHEDULE A

Fishing Lake First Nation, Kinistin Saulteaux First Nation, The Key First Nation, Yellowquill First Nation & Saturn Minerals Launch Inowending Exploration & Development Corp.

October 31, 2011, Vancouver – Saturn Minerals Inc. (TSX.V: SMI) (FSE: SMK) (“Saturn”, or “the Company”) and Fishing Lake First Nation, Kinistin Saulteaux Nation, The Key First Nation and Yellowquill First Nation (the “First Nations”) are pleased to announce the signing of an agreement for the formation of Inowending Exploration & Development Corp. (“Inowending”) as a unique First Nations/industry co-owned exploration company.

Inowending will be a private company based in Saskatoon, Saskatchewan, which will pursue the economic development of various natural resource exploration and development projects that display commercial promise. Saturn has agreed to provide initial financial & management support to foster and incubate Inowending for a period of up to two years in exchange for a strategic ownership stake in the new company, the details of which are outlined under ‘Material Transactions’.

About Inowending

‘Inowending’ is a Saulteaux First Nation word which means ‘relationships’. The formation of Inowending is the result of a special relationship developed between Saturn and the First Nations over a period of two and a half years of dialogue, co-operation and certain mutual benefits as discovered by both sides during exploration for coal, oil and other minerals in eastern Saskatchewan and western Manitoba. In recognition of these synergies and the mutual desire for economic opportunity, Saturn and the First Nations executed a non-binding Letter of Intent in February, 2011 which stated the shared intention to evaluate a commercial framework for partnership to pursue natural resource projects. Inowending is the result of that evaluation.

As a First Nations exploration and development company, Inowending will complete assessments of, negotiation for, acquisition of, consultation over and partnerships in exploration and development projects. As co-owner and industry partner of a majority First Nations owned exploration and development company, Saturn will provide technical, administrative and corporate guidance to Inowending. Saturn and the First Nations (the “Founding Partners”) believe that an exploration and development company that is co-owned by First Nations has potential advantages within the natural resource industry. It is the hope of the Founding Partners that Inowending may also serve to address the much sought after solution to certain issues facing First Nations, industry and government regarding natural resource projects. It is the strong belief of the Founding Partners that partnership offers the greatest leverage for economic success in respect to natural resource projects in Canada as detailed by the Founding Provisions of Inowending described below.

Founding Provisions

The Spirit & Intent of Treaty

Treaty is a living bond between First Nations and their partners. It is fundamental to the economic pursuit of natural resource projects and is based on mutual respect, co-operation and recognition of a mutual desire for prosperity and profitable enterprise between First Nations and their partners. Inowending is to be an entity guided by the Spirit & Intent of Treaty.

Natural Resources & the Land

Under Treaty, the land is the basis of all co-operative enterprise for natural resources. Economic development of natural resources brings with it a responsibility for the improvement of life for those affected. Responsible economic development which recognizes that the land provides gifts for development in a respectful and sustainable manner is fundamental to Inowending and its Founding Partners.

Partnership

First Nations have a clear and defined interest in participating in and benefiting from the development of natural resources on their ancestral lands. Exploration, mining and energy entities have a clear and defined interest in participating in and benefiting from the development of the same natural resources. Inowending is to be a conduit through which these complimentary interests meet for mutual benefit.

Special Relationship

Inowending and Saturn Minerals Inc. share a 'Special Relationship' based on mutual respect, understanding and support which resists greater definition. Aspects of this 'Special Relationship' are codified between Saturn and Inowending and include co-operative and preferential provisions between the two companies with respect to shared opportunities, preferred partnerships and co-investment in each other. Certain aspects of this 'Special Relationship' will also be extended to other First Nations beyond the Founding Partners who express a desire to directly participate in or with Inowending. Inowending is to be a partner for First Nations who desire greater involvement in natural resource exploration & development.

"It is about time," said Chief Clarence Papequash of The Key First Nation, "First Nations have an ancestral connection to the land, and have a responsibility to ensure that responsible, sustainable development occurs while creating opportunities for future generations. This partnership is different, and was developed on mutual respect and understanding between First Nations and Saturn Minerals. Inowending represents the development of a positive, working relationship...it is my hope that this new company will lead the way in how to work with First Nations people."

"Understanding and recognizing our Treaty and Inherent Rights to our traditional lands is paramount. We believe that what we have created with Saturn and other First Nations is one step forward towards strengthening that understanding and recognition" stated Chief Larry Cachene of Yellowquill First Nation. "This venture is a remarkable opportunity for Yellowquill First Nation to attain ownership and create mutually beneficial partnerships in an exploration and development company, while ensuring that we do not impair our unique position as Treaty First Nations. Looking forward, we see Inowending as a move forward towards a vibrant level of community investment by creating a venue that can foster education, training and capacity development. We are aware of the challenges our communities face and we want to respond to the value-based issues our community members care about and its impact on the social, human and cultural needs as well. We embrace this opportunity to forge ahead in a proactive and productive way, bringing forward solutions to the issues that have not been dealt with effectively in the past. Our strategy is to reinforce systems of good governance and business practices while operating under the principles of accountability, transparency and integrity. Inowending will help to foster meaningful relationships that are innovative, respectful and positive and reflect our vision for the future. I am very proud to be a part of this new and exciting company."

Chief Albert Scott of Kinistin Saulteaux First Nation stated, "It is good to see First Nations and an exploration company come together to create a unique opportunity built on partnership and ownership. It is very encouraging to have Saturn approach First Nations, the original inhabitants of this land, and understand that before Treaty, we, as First Nation people, took care of Mother Earth in a respectful and sustainable way. Building a partnership based on those understandings will open doors for other unique and positive

partnerships, and fosters a different approach for governments and industries in doing business with First Nations. Saturn and Inowending understand the importance of including First Nations laws and ceremonies in our relationship, and it is only natural that we work together to ensure that we create opportunities for the future, as well as continue the respect and sustainability of the land. It is my hope that this will set a standard for all industry and First Nations to develop positive partnerships.”

“Saskatchewan has tremendous natural wealth and potential beneath the ground in the form of mineral wealth such as coal, oil, potash, and above ground in the form of First Nations,” stated Stan Szary, President of Saturn. “Inowending will strive to establish a framework for our First Nations partners and Saturn to share the risk and reward as we unlock both of these potentials in a form that was originally envisioned by the Treaties. Indigenous populations taking ownership of the natural wealth of their homelands is a well-understood story, and Saturn is proud and happy to stand with our First Nations in their inherent desire to bring hope and prosperity through the exploration and development of mineral and natural resources. Success for Inowending will mean success for both Founding Partners that is mutual and forms the core of Treaty.”

Material Transactions

As part of the definitive agreement and in accordance with the ‘Special Relationship’ between Inowending & Saturn, the following material transactions are provided for in the agreement:

- The incorporation of Inowending Exploration & Development Corp. under the laws of Saskatchewan
- The allocation of equal ownership stakes of Inowending among the Founding Partners, being 20% each
- The naming of Mrs. Marlene Lumberjack, LLB as President of Inowending
- The naming of a Board of Directors which will constitute one member from each of the Founding Partners and one independent member
- The ratification of the ‘Special Relationship’ between Saturn and Inowending whereby:
 - both corporations will be given a first and preferential opportunity to increase equity ownership or acquire carried interests in projects acquired by either corporation on a case-by-case basis
 - Inowending will have a participatory right of first refusal on up to 100% of any equity financing of Saturn provided that the right of first refusal shall be limited such that the interest of Inowending in Saturn will not exceed 19.9%.
 - Saturn will have a right of first refusal on 20% of any equity financing of Inowending where the subscribing investor or investors are First Nations or similarly defined party
 - Saturn will have a participatory right of first refusal on 100% of any equity financing of Inowending where the subscribing investor or investors is any party that is not defined as a First Nation or similarly defined party provided that the additional investment does not result in Saturn exceeding its 20% interest unless agreed otherwise by the First Nations
- The Inowending Trust Fund will be established and will be the principal benefiting entity of commercial success of Inowending and through which potential profits will be administered
- The initial contribution of \$33,000 by Saturn to the Inowending Trust Fund
- The issuance of 10,000,000 warrants of Saturn Minerals Inc. (the “Saturn Warrants”) to Inowending at an initial strike price of \$0.50 per-warrant and thereafter have a strike price subject to an escalator clause and term which will be subject to the rules and approval of the TSX Venture Exchange. The Saturn Warrants will include a provision that will limit the exercise thereof such that the interest of Inowending in Saturn will not exceed 19.9%.
- The sale & transfer of a 12.5% carried interest of Saturn’s Erwood and Armit coal properties in eastern Saskatchewan to Inowending. Inowending will have the right to participate in the

exploration funding for the next three phases of exploration to increase ownership in the properties up to 50%.

Initial Steps

Subsequent to the material transactions as outlined above, Inowending will undertake the following initial steps with the support of Saturn:

- The transition of the Saturn Saskatoon regional office into the Inowending head office
- The ratification of a unique protocol policy with regards to First Nations engagement & consultation
- The retention of executive and technical talent to strengthen the human capital of Inowending
- The implementation of the Inowending Business Plan which includes final evaluation of several initial natural resource projects and opportunities that Saturn and Inowending have identified together
- The presentation of the company and its business plan to additional First Nations, private enterprise (domestic & foreign) and government bodies to examine certain opportunities and synergies created by Inowending with respect to partnership and investment
- The launch of a formal awareness campaign among traditional media

The Company will provide more information when available. All terms and transactions contained herein are subject to the necessary approvals of the TSX Venture Exchange.

About Saturn Minerals Inc.

Saturn Minerals Inc. (TSX.V: SMI) (FSE: SMK) is a junior Canadian energy & resources company advancing a portfolio of energy and resource assets in Saskatchewan, Manitoba and British Columbia. The Company has made two bituminous coal discoveries at its Saskatoba Project since 2009, including one of the thickest coal seams encountered in Canada at 89 metres thickness. The Company also has strategic ownership in Inowending Exploration & Development Corp., a First Nations owned exploration & development company active in Canada's prairie provinces.

To learn more, please contact the Company at (604) 685-6989 or visit: www.saturnminerals.com.

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SATURN MINERALS INC.

On Behalf of the Board of Directors

s/ "Stan Szary"

CEO

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