Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Reporting Issuer

Quadra Mining Ltd. (the "**Company**")
Suite 2414, Four Bentall Centre, 1055 Dunsmuir Street
Vancouver, British Columbia V7X 1K8

Item 2. Date of Material Change

March 23, 2010

Item 3. News Release

On March 23, 2010, the Company issued a joint news release with FNX Mining Company Inc. ("**FNX**") through the services of Marketwire.

Item 4. Summary of Material Changes

On March 23, 2010, the Company and FNX announced that they had executed an arrangement agreement (the "Arrangement Agreement") providing for the acquisition by the Company of all of the issued and outstanding common shares of FNX.

Item 5. Full Description of Material Change

On March 23, 2010, the Company and FNX entered into the Arrangement Agreement whereby the Company agreed to acquire all of the issued and outstanding common shares of FNX by way of plan of arrangement under the provisions of the *Business Corporations Act* (Ontario). Pursuant to the Arrangement Agreement, the FNX common shares will be exchanged for common shares of the Company at an exchange ratio of 0.87 of a common share of the Company for each common share of FNX, resulting in the issuance of approximately 89 million common shares of the Company. All outstanding options of FNX (whether vested or unvested) will be exchanged for stock options of the Company, adjusted based on the same exchange ratio, resulting in the issuance of options to acquire approximately 3 million common shares of the Company. All outstanding warrants of FNX will be exercisable for common shares of Quadra in accordance with the terms of FNX's warrant indenture. Approximately 6.5 million common shares of Quadra will be issuable pursuant to the exercise of FNX warrants.

The Arrangement Agreement provides, among other things, for a non-solicitation covenant on the part of each of the Company and FNX, subject to customary "fiduciary out" provisions that entitle each of the Company and FNX to consider and accept a superior proposal, a right in favour of each to match any superior proposal received by the other and the payment of a termination fee in the amount of $40 million in certain circumstances, including the acceptance by the Company (or FNX) of a superior proposal that FNX (or the Company) has elected not to match. Either party may become obligated to reimburse the other for its expenses in respect of the plan of arrangement to a maximum of $5 million in certain circumstances, including if the plan of arrangement does not receive the requisite approval at such party's shareholder meeting called to approve the proposed plan of arrangement.

The proposed merger is subject to the satisfaction of a number of conditions, including FNX and Quadra shareholder approvals and regulatory approvals. Special shareholder meetings for the Company and FNX to vote on the plan of arrangement are expected to be held in May 2010 with closing expected shortly thereafter.

The Arrangement Agreement may be terminated by FNX or the Company in a number of circumstances, including if an event which has a material adverse effect on the Company (in the case of FNX) or on FNX (in the case of the Company) occurs.

Following completion of the merger, the board of directors of the combined company is to be comprised of five directors from each of the current FNX and Quadra board of directors.

The above description of the Arrangement Agreement is a summary and is qualified in its entirety by the full text of the Arrangement Agreement which has been filed by the Company as a material contract on SEDAR.

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

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

The name and business telephone number of an officer who is knowledgeable about the material change and this report is as follows:

Paul Blythe, President and Chief Executive Officer
Phone: 604-689-8550

Item 9 Date of Report

March 30, 2010.