

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

Item 1 Name and Address of Company

Dynamite Resources Ltd.
Suite 820, 65 Queen Street West
Toronto, ON M5H 2M5

Item 2 Date of Material Change

August 17, 2007

Item 3 News Release

A new release was issued by the Corporation on August 17, 2007 and subsequently filed on SEDAR.

Item 4 Summary of Material Change

Dynamite Resources Ltd. ("**Dynamite**") announced its successful completion of its court approved plan of arrangement (the "**Arrangement**") and offer to acquire all of the issued and outstanding ordinary share ("**Tau Ordinary Shares**") of Tau Mining Limited ("**Tau**") by way of take-over bid (the "**Offer**").

Item 5 Full Description of Material Change

Dynamite announced the successful completion of the Arrangement and the Offer. Pursuant to the Offer, Dynamite has acquired approximately 173,120,001 or 95% of the outstanding Tau Ordinary Shares. Dynamite expects to acquire the remaining Tau Ordinary Shares pursuant to compulsory acquisition procedures on the same terms as provided under the Offer. Dynamite intends to take up and pay for the Tau Ordinary Shares tendered on or about August 17, 2007 or as soon as possible thereafter.

Pursuant to the Arrangement, Dynamite and 6803725 Canada Inc. (formerly Tau Finance Inc.) ("**Finco**"), a subsidiary of Dynamite, have amalgamated into one corporate entity (the "**Corporation**") in accordance with the Arrangement. The outstanding common shares of Dynamite were exchanged for common shares of the Corporation ("**Common Shares**") on a one for one basis and outstanding convertible securities of Dynamite will remain outstanding and be convertible into Common Shares in accordance with their terms. In connection with the Arrangement, 56,250,000 subscription receipts (the "**Subscription Receipts**") of Finco were exchanged for 56,250,000 units of Finco with each unit being comprised of one common share of Finco (a "**Finco Common Share**") and one Finco Common Share purchase warrant (a "**Finco Warrant**"). Each Finco Common Share was exchanged for one Common Share and each Finco Warrant was exchanged for one warrant of the Corporation (a "**Warrant**"), with each whole Warrant being exercisable to acquire one Common Share at a price of C\$1.00 for a

period of two years following the closing of the Arrangement. The outstanding compensation options of Finco were exchanged for compensation options of the Corporation.

Pursuant to the terms of the Offer, for each Tau Ordinary Share held, Tau shareholders who tendered to the Offer have elected to receive either (i) one quarter of one Common Share and one quarter of one Warrant, or (ii) cash consideration of C\$0.15 and one sixteenth of one Common Share.

Upon taking up and paying for the Tau Ordinary Shares tendered to the Offer, there will be approximately 109,912,500 Common Shares issued and outstanding. Dynamite intends to acquire all outstanding Tau Ordinary Shares not tendered to the Offer pursuant to a compulsory acquisition under the Part 28 of the Companies Act 2006 (UK), as described in the take-over bid circular dated July 10, 2007 and will dispatch notices in relation to the compulsory acquisition of the Tau Ordinary Shares not tendered to the Offer.

The board of directors of the Corporation is now comprised of Stan Bharti (Chairman), David Argyle (Chief Executive Officer), Blair Krueger, Lewis MacKenzie and Gerald McCarvill.

Cautionary Note Regarding Forward-looking Information

Except for statements of historical fact contained herein, the information in this material change report constitutes "forward-looking information" within the meaning of Canadian securities law. Such forward-looking information may be identified by words such as "plans", "proposes", "estimates", "intends", "expects", "believes", "may", "will" and include without limitation, statements regarding the Company's plan of business operations; use of proceeds; availability of financing on acceptable terms; and projected costs and expenditures. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. In particular, past success or achievement does not guarantee future success. Factors that could cause actual results to differ materially include, among others, metal prices, competition, financing risks, acquisition risks, risks inherent in the mining industry, and regulatory risks. Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

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

David Argyle, Chief Executive Officer.

Item 9 Date of Report

August 21, 2007