

FORM 51-102F3
Material Change Report

- Item 1. Name and Address of Company**
Cue Resources Ltd. (the “Company”)
Suite 1430
800 West Pender Street
Vancouver, BC
V6C 2V1
- Item 2. Date of Material Change**
January 11, 2011
- Item 3. News Release**
The News Release dated January 11, 2011 was disseminated via Marketwire
- Item 4. Summary of Material Change**

Cue Resources Ltd. confirms and expands mineralization at San Antonio, Yuty Project, Paraguay
- Item 5. Full Description of Material Change**
For a full description of the material change, see Schedule “A”.
- 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**

The following Senior Officer of the Company is available to answer questions regarding this report:

Robert S. Tyson
President & CEO
604-681-5755
- Item 9. Date of Report**
Dated at Vancouver, BC, this 11th day of January, 2011.

Schedule "A"

**Cue Resources Ltd. confirms and expands mineralization at San Antonio, Yuty Project,
Paraguay**

January 11, 2011

TSX-V:CUE

Vancouver, BC, January 11, 2011 – Cue Resources Ltd. ("Cue") is pleased to announce the results of its recently completed drill program on its 100% owned Yuty Project in the Republic of Paraguay. The program consisted of 33 drill holes for a total of 3596 meters. The objectives of the program were to expand the previously defined limits of the San Antonio deposit, as well as to increase the understanding of some areas with resources where the drilling is relatively wide spaced.

The drilling has successfully identified a modest expansion of the deposit limits to the south and west of the main zone, and has also successfully confirmed previously identified high grade mineralized zones within the deposit limits.

Drilling was performed by two diamond drill rigs and two reverse circulation rigs. Radiometric (gamma) and electric downhole logging was completed on all holes. The logging was performed using industry standard equipment which was calibrated both in Paraguay and in the US Department of Energy test pits in Grand Junction, CO USA. Equivalent uranium grades (eU3O8) were estimated from the downhole gamma readings, as per standard industry practice. Doug Beahm, PE, PG, is a qualified person and was on site during the initiation of the drilling program during which time he assisted in the development of standard protocols for geophysical logging, calibration, and log interpretation. Mr. Beahm observed the drilling and geophysical logging practices and can attest as to the reliability of the data collected during the drilling program for the purposes of resource calculations in accordance with 43-101 regulations and CIM standards.

Of the 33 drill holes, 5 were not completed to the target horizon because of adverse drilling conditions. Of the 28 holes that reached the target, 10 had intersections greater than a GT (grade x thickness) of 0.10 m% eU3O8, and an additional 13 had intersections exceeding a GT of 0.03 m% eU3O8 (the minimum cut-off used for inclusion in the resource estimate mentioned below).

Highlights of the drill program include:

Drill Hole #	Type	Total Depth	Best Intercept				GT (m% _e U3O8)
			THK (m)	To (m)	From (m)	% _e U3O8	
1245	Step Out	126.00	2.59	83.82	86.41	0.05	0.12
1246	Step Out	118.65	1.99	83.86	85.85	0.11	0.22
1255	Infill	106.20	6.28	78.00	84.28	0.08	0.50
1256	Infill	102.00	2.59	77.40	79.99	0.05	0.12
1257	Infill	102.00	3.29	78.30	81.59	0.03	0.11
1258	Infill	93.00	2.49	74.21	76.70	0.07	0.17
1260	Infill	91.20	0.90	85.38	86.28	0.12	0.11
1262	Infill	102.00	6.28	72.42	78.70	0.20	1.22
1266A	Infill	102.00	5.69	71.92	77.61	0.03	0.14
1268	Infill	112.00	3.09	88.57	91.66	0.11	0.35

“We are satisfied that we have now identified the western extension of the San Antonio deposit and confirmed earlier results showing a higher grade zone in the main ore body at San Antonio with this first of a 2 part drill program,” commented Bob Tyson, president and CEO of Cue. “The Company plans to continue this process with another 3500 meter drill program planned for the southern extension in the coming weeks”.

Chris M. Healey, P.Geo, a director of Cue, is the Qualified Person responsible for the technical content of this release.

About Cue Resources

Cue Resources Ltd. is focused on developing the Yuty Uranium District in south-eastern Paraguay. Two major drilling campaigns have been completed by Cue leading to the completion of the most recent NI 43-101 compliant resource reporting an Indicated Resource of 9.0M tonnes @ 0.042% eU₃O₈ containing **8.3M lbs eU₃O₈** and an Inferred Resource of 1.1M tonnes @ 0.050% eU₃O₈ containing **1.2M lbs eU₃O₈**. Column leach tests have demonstrated recovery of up to 86% of the contained uranium from cores taken from San Antonio. In addition, laboratory testing on drill cores has shown permeability and porosity values within the range of existing commercial ISR operations. For detailed information, please see the Cue web site at <http://www.cue-resources.com>.

On behalf of the Board of Directors

“Robert S. Tyson”

President and Chief Executive Officer

For further information, please contact:

Mark Prosser

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