

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Highland Resources Inc.
Suite 750 – 580 Hornby Street
Vancouver, B.C. V6C 3B6

Item 2 Date of Material Change

August 22, 2011

Item 3 News Release

Issued in Vancouver, British Columbia on August 22, 2011 and distributed through Marketwire.

Item 4 Summary of Material Change

See attached news release.

Item 5 Full Description of Material Change

See attached news release.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

This report is not being filed on a confidential basis.

Item 7 Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

Item 8 Executive Officer

Contact: Robert Eadie, CEO
Telephone: (604) 602-4935

Item 9 Date of Report

August 22, 2011

HIGHLAND RESOURCES INC.

News Release

Highland Resources Appoints Vice President – Exploration for Copper Project in Keweenaw and Houghton Counties, Michigan

August 22, 2011

HI- TSXV

Vancouver, British Columbia – Highland Resources Inc. (“**Highland**” or the “Company”) is pleased to announce the appointment today of Ross R. Grunwald as Vice President – Exploration, with the primary responsibility of overseeing Highland’s copper projects located in Keweenaw and Houghton Counties, Michigan (see press release dated August 4, 2011.)

Dr. Grunwald is the owner and principal consultant of GeoResource Management headquartered in Jamestown, California, a consulting firm offering geological and environmental services to North American mining companies. Dr. Grunwald holds a M.Sc. from the University of Hawaii and a Ph.D. from South Dakota School of Mines & Technology. He will bring to Highland and the Keewenaw-Houghton copper projects his more than 40 years of experience in the fields of mining, mineral exploration, and ground water resource evaluation, as well as environmental site characterization and remediation. “Ross will be the key figure in heading up our operations in Michigan as well as our other projects,” said Robert Eadie, interim President of the Company.

Robert Eadie, Chief Executive Officer, assumes the position of interim President of the Company, following the resignation of Roger Blair who will be pursuing other endeavours. The Company is grateful to Mr. Blair for his years of service in furthering the Company’s exploration work in the Beardmore-Geraldton area of the Thunder Bay Mining District in Ontario.

The transaction involving the copper projects in Michigan is subject to regulatory approval including approval by the TSX Venture Exchange.

Highland is dedicated to the principles of environmentally sound mining practices and believes that environmental stewardship and mining can co-exist.

ON BEHALF OF THE BOARD

Signed “Robert Eadie”

Robert Eadie, President, Chief Executive Officer and Director

FOR FURTHER INFORMATION PLEASE CONTACT:

Telephone: 1-604-602-4935

Facsimile: 1-604-602-4936

Contact: Robert Eadie

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.