

Form 51-102F3
Material Change Report

PART 1 GENERAL INSTRUCTIONS AND INTERPRETATION

(a) Confidentiality

If this Report is filed on a confidential basis, state in block capitals "CONFIDENTIAL" at the beginning of the Report.

(b) Use of "Company"

Wherever this Form uses the word "company" the term includes other types of business organizations such as partnerships, trusts and other unincorporated business entities.

(c) Numbering and Headings

The numbering, headings and ordering of the items included in this Form are guidelines only. You do not need to include the headings or numbering or follow the order of items in this Form. Disclosure provided in response to any item need not be repeated elsewhere.

(d) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 51-102 and to National Instrument 14-101 *Definitions*. If a term is used in this Form and is defined in both the securities statute of a local jurisdiction and in National Instrument 51-102, refer to section 1.4 of Companion Policy 51-102CP.

(e) Plain Language

Write the Report so that readers are able to understand it. Consider both the level of detail provided and the language used in the document. Refer to the plain language principles listed in section 1.5 of Companion Policy 51-102CP. If you use technical terms, explain them in a clear and concise manner.

PART 2 CONTENT OF MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Prophecy Platinum Corp. (the "Company")
2nd Floor
342 Water Street
Vancouver, B. C. V6B 1B6

Item 2 Date of Material Change

July 31, 2012

Item 3 News Release

A news release was disseminated on August 1, 2012 through the facilities of Marketwire.

Item 4 Summary of Material Change

Prophecy Platinum reports the Company has closed non-brokered private placement of units (each a "Unit") and flow through shares (each a "FT Share") totaling just over \$7.25 million.

Item 5 Full Description of Material Change

5,067,208 Units were issued at a price of \$1.20 per Unit to generate gross proceeds of approximately \$6,080,650. Each Unit comprised one common share and a half (1/2) share purchase warrant exercisable until July 31, 2014. Each whole warrant entitled the holder thereof to acquire one additional common share at a price of \$1.50 per share in the first year of the warrant term and \$2.00 per share in the second year of the warrant term. The warrants are subject to 30 day accelerated conversion if the closing price of the Company's shares on the TSX Venture Exchange is \$2.80 or above for a period of 10 consecutive days.

807,655 FT Shares were issued at a price of \$1.45 per FT Share to generate gross proceeds of approximately \$1,171,100.

Finder's fees of 6.5% of the proceeds placed, payable in cash, were paid on portions of the placement. The securities issued are subject to a hold periods expiring on December 1, 2012.

Proceeds of the placement will be applied to the Company's flagship PGM-Ni-Cu Wellgreen project in the Yukon and its other properties, in addition to general working capital.

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 in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

John Lee is knowledgeable about the material change and the Report and may be contacted (604) 716.1638.

Item 9 Date of Report

August 1, 2012