**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**ITEM 1.** ***Name and Address of Company***

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

**ITEM 2.** ***Date of Material Change***

June 20, 2013.

**ITEM 3.** ***News Release***

Prophecy Platinum disseminated a press release in respect of the material change on June 20, 2013 via Marketwire. The press release was filed on SEDAR on June 20, 2013.

**ITEM 4.** ***Summary of Material Change***

Prophecy Platinum completed a non-brokered private placement (the "**Private Placement**") of 8,386,264 units of the Company (each a "**Unit**") at a price of $0.70 per Unit, for gross proceeds totalling approximately $5.9 million.

**ITEM 5.** ***Full Description of Material Change***

***Description of the Private Placement and its terms***

Prophecy Platinum completed the Private Placement of 8,386,264 Units at a price of $0.70 per Unit, with each Unit comprised of one "flow-through" common share and one common share purchase warrant (the "**Warrants**"), for gross proceeds totalling approximately $5.9 million. Each Warrant is exercisable for one common share for a period of 24 months following the closing of the Private Placement at a price of $0.90. Prophecy Platinum paid finders' fees of $197,200 in connection with the Private Placement.

***Purpose and business reasons for the Private Placement***

The gross proceeds of the Private Placement will be applied towards the continuing exploration and development of Prophecy Platinum's 100%-owned Wellgreen PGM-Ni-Cu property located in the Yukon Territory, as well as for studies at Prophecy Platinum's Shakespeare PGM-Ni-Cu property located in the Sudbury mining district in Ontario, and for exploration on the balance of its Canadian projects.

In connection with the Private Placement, in order to assist Prophecy Platinum's management to build direct equity ownership in the company and further align the interests of shareholders and management, Prophecy Platinum advanced short-term loans (the "**Loans**") in the aggregate amount of $892,500 to members of its senior management team to allow them to participate in the Private Placement. The full amount of each Loan was used by each recipient to subscribe for Units under the Private Placement on the same premium to market terms as other investors. By allowing members of senior management to participate in the Private Placement, the Loans helped align the interests of senior management with shareholders. The Loans bear interest at a rate prescribed by the Canada

Revenue Agency, and are repayable in full (together with any accrued interest) on March 31, 2014.

The securities issued pursuant to the Private Placement are subject to hold periods expiring on October 21, 2013, in accordance with applicable securities laws and the rules and policies of the TSX Venture Exchange.

***The Anticipated effect of the transaction of the Issuer's business and affairs***

The Loans allowed the Company to increase the size of the Private Placement by nearly $900,000. It is anticipated that this will enhance the Company's financial position in the future.

***The Interest in the transaction of every Related Party***

The Loans were granted to the following Insiders of Prophecy Platinum:

| Individual | Amount ($) |
|---|---|
| Greg Johnson | 280,000 |
| Jeffrey Mason | 227,500 |
| John Sagman | 227,500 |
| Rob Bruggeman | 70,000 |
| Samir Patel | 52,500 |

The Units purchased by the individuals noted above are not expected to materially change the percentage of the common shares of the Company controlled by these individuals.

***Discussion of the review and approval process adopted by the Board of Directors***

All the terms and conditions of the Private Placement and the Loans were reviewed and approved by the Board of Directors at a meeting held on June 19, 2013. Greg Johnson abstained from voting on the Loan made to him. There was no contrary view or abstention expressed by any director.

***Formal Valuation and Minority Approval Exemptions Relied Upon***

Prophecy Platinum is exempt from obtaining a formal valuation as it is not listed on a "specified market" (s. 5.5(b) MI 61-101).

Prophecy Platinum was exempt from obtaining minority approval for the loans as their fair market value is not more than 25% of the Company's market capitalization (s.5.7(a) MI 61-101).

**ITEM 6.** ***Reliance on Subsection 7.1(2) of National Instrument 51-102***

This report is <u>not</u> 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***

For further information, please contact:

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|---|---|
| Name: | Samir D. Patel, Corporate Counsel and Corporate Secretary |
| Telephone: | 604.569.3690 ext. 119 |

**ITEM 9.** ***Date of Report***

July 2, 2013.