MATERIAL CHANGE REPORT

To: British Columbia Securities Commission
Alberta Securities Commission
TSX Venture Exchange

Item 1. **Name and Address of Company** – **Chalice Diamond Corp.**, Suite 711 – 675 West Hastings Street, Vancouver, B.C., Canada V6B 1N2

Item 2. **Date of Material Change** – June 16, 2011

Item 3. **News Release** – News Release issued June 16, 2011 at Vancouver, BC.

Item 4. **Summary of Material Change – Chalice Diamond Corp. (TSX-V: COD)** is pleased to announce that further to the Company's news release dated May 4, 2011 the Company has increased its private placement from 3,500,000 non flow-through units (the "NFT units") to 4,303,330 NFT units and from 2,500,000 flow-through units (the "FT units") to 3,080,000 FT units for gross proceeds of $1,261,499.50.

Item 5. **Full Description of Material Change – Chalice Diamond Corp. (TSX-V: COD)** ") i VANCOUVER, BC – **Chalice Diamond Corp. (TSX-V:COD)** (the "Company") is pleased to announce that further to the Company's news release dated May 4, 2011 the Company has increased its private placement from 3,500,000 non flow-through units (the "NFT units") to 4,303,330 NFT units and from 2,500,000 flow-through units (the "FT units") to 3,080,000 FT units for gross proceeds of $1,261,499.50.

Each NFT unit ($0.15 per unit) and each FT unit ($0.20 per unit) consisted of one common share and one-half of one non-transferable common share purchase warrant. Each full warrant entitles the holder to purchase one additional non flow-through common share of the company at an exercise price of $0.30 for two years from the date of issue of the warrant.

Finders' fees will be paid on a portion of the funds raised. The private placement is subject to regulatory approval.

Proceeds from the flow-through portion of the placement will be applied to Chalice's exploration expenditures on the Company's Canadian properties and the proceeds from the non flow-through portion of the placement will be applied to general working capital.

Item 6. **Reliance on Section 7.1(2) or (3) of National Instrument 51-102** – Not applicable.

Item 7. **Omitted Information** – The undersigned is aware of no information of a material nature that has been omitted.

Item 8. **Executive Officer** – Mr. Rasool Mohammad, Chairman of the Issuer, is knowledgeable about the material change and this report. He can be contacted at (604) 685-2222.

Item 9. **Date of Report** – Dated at Vancouver, British Columbia, this 16th day of June 2011