

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Cornerstone Metals Inc. (the "Issuer")
Suite 880 – 580 Hornby Street
Vancouver, BC V6C 3B6

Item 2. Date of Material Change

August 10, 2012

Item 3. News Release

The Issuer issued a press release dated August 10, 2012. The press release was disseminated through Marketwire.com

Item 4. Summary of Material Change

The Issuer announced the resignation of one director and the appointment of a replacement director. The Issuer also announced the grant of stock options to Directors, Officers and consultants.

Item 5. Full Description of Material Change

The Issuer announced that Willis W. Osborne, MSc. has resigned as a director of the Issuer and that Jason A. Nickel, P.Eng., has joined the board of directors to fill the resulting vacancy.

The Issuer also announced that it has granted 750,000 stock options to directors, officers and consultants of the Issuer, which are exercisable until August 11, 2017 at a price of \$0.12 per share.

See the attached news release.

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

Not applicable

Item 7. Omitted Information

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

Item 8. Executive Officer

Courtney A Shearer, Interim Chief Executive Officer and Director
604-694-0741, 403-804-8636

Item 9. Date of Report

August 13, 2012