FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Castle Resources Inc. ("**Castle Resources**" or the "**Company**")
20 Victoria Street, Suite 800
Toronto, ON M5C 2N8

Item 2. Date of Material Change

September 16, 2010 and September 17, 2010.

Item 3. News Release

The news releases were disseminated on September 16, 2010 and September 17, 2010 via a Canadian news wire service and filed on SEDAR.

Item 4. Summary of Material Change

Castle Resources announced it will be completing a $10,000,000 brokered private placement financing.

The Company also announced the pricing and terms of the $10,000,000 private placement offering.

Item 5. Full Description of Material Change

September 16, 2010:

Castle Resources announced a brokered private placement of securities led by Scotia Capital Inc. and including D & D Securities Inc. (the "**Agents**"), in which the Agents will raise up to $10,000,000 on a reasonable commercial efforts basis (the "**Financing**") with the price and terms of such securities to be determined in the context of the market upon mutual agreement of the Corporation and the Agents.

The net proceeds from the sale of the securities will be used for exploration and development of the Granduc Copper property located near Stewart, British Columbia, exploration and development of the Elmtree Gold property in New Brunswick and for general working capital purposes.

Under the terms of the Financing, the Agents will receive a cash commission representing 7% of the gross proceeds of the sale of the securities. The Agents on behalf of themselves and any coagents shall also receive a number of compensation warrants that is equal to 7% of the total number of securities sold under the Financing, the exercise price and terms of which will be agreed upon between the Corporation and the Agents.

<u>September 17, 2010:</u>

Castle Resources announced that it has agreed upon the terms and pricing for the previously announced marketed private placement (hereinafter referred to as the "**Offering**"). Under the Offering, Castle Resources has agreed to issue 30,012,500 units ("**Units**") at a price of $0.32 per Unit and 1,100,000 flow-through shares ("**Flow-Through Shares**") at a price of $0.36 per Flow-Through Share to raise gross proceeds of C$10 million. Each Unit will consist of one common share and one half of one common share purchase warrant, with each whole warrant entitling the holder to acquire one additional common share at an exercise price of $0.50 per share for a period of 24 months following the closing of the Offering.

The Offering is scheduled to close on or about October 7, 2010 and is subject to customary regulatory approvals.

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

Not Applicable.

Item 7. Omitted Information

No information has been omitted from this material change report.

Item 8. Senior Officer

The following senior officer of the Company is knowledgeable about the material change and the Material Change Report, and may be contacted by the Commission as follows:

Stephen Shefsky, Chief Executive Officer
Telephone: 416-366-4100

Item 9. Date of Report

September 30, 2010

CASTLE RESOURCES INC.

"Stephen Shefsky"

Per: ______________________________
Stephen Shefsky
Chief Executive Officer