

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1: Name and Address of Company**

Puget Ventures Inc. (the "Company")  
#1501-1050 West Pender Street  
Vancouver, BC  
V6E 3T4

**Item 2: Date of Material Change**

July 11, 2011

**Item 3: News Release**

News release dated July 11, 2011, issued in Vancouver, British Columbia, was disseminated through Marketwire and filed via SEDAR with the British Columbia and Alberta Securities Commissions and the TSX Venture Exchange.

**Item 4: Summary of Material Change**

Puget Ventures issued a news release on July 11, 2011 announcing the conditional approval by TSX Venture Exchange in the previously announced Transaction with Imperial Metals Holding Limited ("IMHL") dated September 20<sup>th</sup>, 2010.

The Company also reiterated that an Annual General and Special Shareholder Meeting will be held on July 21<sup>st</sup>, 2011 at 10:00 am at #700-401 West Georgia Street, Vancouver, for shareholders of record as of June 2, 2011. Pending final shareholder approval at this meeting, and satisfying all other conditions of the TSX Venture Exchange, Puget will change its name to Global Cobalt Corporation. It will acquire the assets through a previously announced reverse-takeover transaction with Imperial Mining Holding Ltd. ("IMHL").

Along with shareholder approval, the TSX Venture Exchange's final acceptance of the proposed transaction is subject to Puget Ventures' completion of a \$16-million (Cdn.) financing. Puget has engaged Mackie Research Capital Corporation to act as lead agent in a syndicate for the financing of unit subscription receipts, each unit subscription receipt to be offered at a price of \$1.05 and include one common share of Puget, and one-half of one common share purchase warrant exercisable at \$1.50 for a period of 36 months following closing of the transaction with IMHL. The proceeds will be used to advance and develop the Karakul Property and surrounding assets in the Altai region and Mongolia, continue the exploration work at Puget's Werner Lake Belt region of Canada, and for working capital purposes. The subscription receipts will be issued by way of a short-form prospectus in Canada.

As a condition of completing the acquisition, the company must apply to have its common shares listed for trading on the TSX. There is no guarantee that the common shares will be accepted for listing by the TSX.

**Item 5: Full Description of Material Change**

**5.1 Full Description of Material Change**

For further details please see the attached news release.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

**Item 7: Omitted Information**

Not applicable.

**Item 8: Executive Officer**

Erin Chutter, President (604) 688-4219

**Item 9: Date of Report**

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia, this 11th day of July, 2011.

**PUGET VENTURES INC.**

*"Erin Chutter"*

---

Per: Erin Chutter  
President, Secretary and Director



## **PUGET VENTURES INC. COMPLETES KEY MILESTONE IN COMPLETION OF GLOBAL COBALT LAUNCH**

**Transaction to acquire assets in mineral-rich Altai Republic would create a regional strategic metals development company**

- **Shareholders to vote on approving acquisition July 21<sup>st</sup>, 2011 in Vancouver**
- **\$400 million (Cdn) allocated by Altai Republic Government to develop infrastructure for Karakul Project**
- **Puget to undertake \$16-million (Cdn) financing to develop world-class development and mining assets in Altai Republic**
- **As a condition of the acquisition the Company must apply for graduation to list its shares on the TSX**

**VANCOUVER, BC (JULY 11<sup>th</sup>, 2011)...PUGET VENTURES INC ("Puget") (TSXV: PVS)** today announced it has received conditional approval from the TSX Venture Exchange to acquire Karakul, a diversified metals deposit, along with world-class cobalt, tungsten and other strategic metals projects in Russia's Altai Republic and in Mongolia.

The approval moves the company closer to dominating the mineral-rich Altai region as a new international strategic-metals development company that will be renamed Global Cobalt Corporation.

The Exchange's approval also pushes the company closer to becoming the only Canadian - and only western - mining company to explore and develop projects in the mineral-rich, pro-mining Altai Republic, a region in Southern Siberia of Russia with proven resources and reserves that shares borders with the similarly mineral-endowed neighbouring countries of Kazakhstan, Mongolia and China.

"The Altai region of Russia was explored with multiple deposits discovered during the Soviet era and is now ripe for the type of investment and development that we saw in Mongolia and Kazakhstan starting in the early 90s," said Erin Chutter, President of Puget Ventures. "The development of Karakul is an important first significant foreign invested mining project for the Altai Republic."

The Altai government and the Federal Government of Russia have confirmed a commitment of \$475 million (Cdn) over the next five years for mining-related infrastructure development, of which \$400 million (Cdn) is allocated for the Karakul project for the development, mine and mill construction in stages and construction of necessary infrastructure.

Puget Ventures has scheduled a shareholder vote to be held on July 21<sup>st</sup>, 2011 at 10:00 am Pacific Time at #700-401 West Georgia Street, Vancouver, for shareholders of record as of June 2, 2011. Pending



final shareholder approval at this meeting, and satisfying all other conditions of the TSX Venture Exchange, Puget will change its name to Global Cobalt Corporation. It will acquire the assets through a previously announced reverse-takeover transaction with Imperial Mining Holding Ltd. ("IMHL").

The flagship asset acquired in the transaction is the Karakul Project, key to the positioning of Global Cobalt as a pioneer in developing the mineral rich Altai Region. It is an advanced-stage exploration project with near-term producing potential. "It could become one of the largest known sources outside Africa of primary cobalt, a metal designated as strategic by both the United States and the European Union and used in batteries, electronics, renewable energy technologies and steel," said Chutter. A large amount of exploration and pre-development work has been conducted in the region, while a number of nearby cobalt and strategic metals projects, including a past-producing tungsten mine, are located close to Karakul and are included with a Right of First Refusal to Global Cobalt.

"This transaction is a game-changing development for the company that will be known as Global Cobalt Corporation," she added. "As first mover into this new region, we will be able to leverage one world class deposit and bring on stream a number of projects that we have under right of first refusal, creating a mining district with enormous potential."

Global Cobalt Corp. will have a highly qualified team of management and directors with the exploration, development and production experience to enable timely, skilled development of the Altai resources. The team brings collective experience from such companies as Goldcorp, Cameco, Centerra Gold, Rio Tinto, Detour Lake, Cominco, Olympic Dam, Kazakhmys, West Timmins, among others. The team is committed to the central vision of advancing the portfolio of quality assets ensuring corporate growth and valuation.

On September 20<sup>th</sup>, 2010, Puget Ventures announced its intentions to acquire the Altai and Mongolian assets through an all-stock transaction with IMHL, domiciled in the Isle of Man. The transaction is structured as a reverse takeover of Puget Ventures by IMHL, with Puget issuing to IMHL 40 million Puget common shares and 80 million special warrants. The special warrants are exercisable for a period of six years without additional consideration if, within five years of the closing date, the Karakul Project meets certain specified criteria. As part of the transaction, Puget Ventures will acquire all of the issued and outstanding securities of Pafra, a wholly owned subsidiary of IMHL, incorporated in Cyprus, subject to the necessary approvals. Additional information regarding the acquisition can be found in the company's information circular dated June 29, 2011, available online under the company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Along with shareholder approval, the TSX Venture Exchange's final acceptance of the proposed transaction is subject to Puget Ventures' completion of a \$16-million (Cdn) financing. Puget has engaged Mackie Research Capital Corporation to act as lead agent in a syndicate for the financing of unit subscription receipts, each unit subscription receipt to be offered at a price of \$1.05 and include one common share of Puget, and one-half of one common share purchase warrant exercisable at \$1.50 for a period of 36 months following closing of the transaction with IMHL. The proceeds will be used to



advance and develop the Karakul Property and surrounding assets in the Altai region and Mongolia, continue the exploration work at Puget's Werner Lake Belt region of Canada, and for working capital purposes. The subscription receipts will be issued by way of a short-form prospectus in Canada.

"This represents an opportunity to participate in a company that will own world-class, strategic mineral assets in a region with enormous growth potential and the financial backing of the regional government to generate a modern, mining-based economy," said Chutter. "The newly formed Global Cobalt Corp. will have a great advantage of being the first Canadian listed company to establish itself in a discovered but yet-to-be developed mining jurisdiction."

A NI 43-101 compliant technical report regarding the Karakul Project is available online under the company's profile on SEDAR, at [www.sedar.com](http://www.sedar.com).

As a condition of completing the acquisition, the company must apply to have its common shares listed for trading on the TSX. The graduation is expected to give the shares of Global Cobalt greater liquidity, provide access to a broader base of investors and give Global Cobalt Corporation increased access to capital. "The TSX is the premier stock exchange in the world for mining companies and a main-board listing represents a significant corporate milestone for the company that will be Global Cobalt Corporation," noted Chutter.

There is no guarantee that the common shares will be accepted for listing by the TSX.

Macquarie Private Wealth Inc. is acting as Sponsor and has completed its due diligence and issued its sponsorship report to the TSX Venture Exchange.

The Mongolian properties included in the transaction are prospective precious and base metal assets located close to the Karakul project, with gold, silver and copper-molybdenum mineralization.

Puget also owns the historically proven Werner Lake Mineral Belt in the mineral-rich Kenora Mining District in North-western Ontario that stretches 60 kilometres along a highly mineralized zone. It encompasses cobalt, copper and nickel/PGE resources.

**For More Information:**

Ms. Erin Chutter, President  
Suite 1510-1050 West Pender Street  
Vancouver, BC, V6E 3T4  
Tel: 1-604-688-4219  
Email: [info@pugetventures.com](mailto:info@pugetventures.com)  
[www.PugetVentures.com](http://www.PugetVentures.com)



*Cautionary Statement on Forward-Looking Information: The statements made in this News Release may contain certain forward-looking statements. Actual events or results may differ from the Company's expectations. Certain risk factors may also affect the actual results achieved by the Company.*

*This news release shall not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The shares offered will not be and have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.*

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*