FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 **Name and Address of Company**

Defiance Capital Corp.
1100 – 543 Granville Street
Vancouver, B.C. V6C 1X8

Item 2 **Date of Material Change**

August 6, 2009

Item 3 **News Release**

The news release dated August 6, 2009 was issued in Vancouver, BC, and disseminated through Stockwatch and Marketwire.

Item 4 **Summary of Material Change**

Item 5 **Full Description of Material Change**

5.1 Full Description of Material Change

The Issuer announced the closing of its Qualifying Transaction which includes:

- An option to acquire from Genesis Professional Services LLC ("Genesis"), a private Nevada corporation, an undivided 100% interest in four blocks of 242 unpatented mining claims known as the Storm Property (the "Property") located midway between Ely and Tonopah in northern Nye County, Nevada; and

- The completion of a private placement totalling $350,000.

As a result, at the opening on Tuesday, August 11, 2009, the Issuer will no longer be considered a Capital Pool Company and will begin trading as a Tier 2 mining issuer on the TSX Venture Exchange ("Exchange") (symbol: DEF).

The Acquisition

Under the terms of the Property Option Agreement with Genesis, the Issuer has been granted the exclusive option to acquire a 100% interest in the Property in consideration of the aggregate sum of US$250,000; 800,000 common shares of the Issuer; and incurring a minimum US$300,000 of work expenditures on the Property within 60 months of the Exchange approval date to the transaction. The Issuer has issued 400,000 common shares to Genesis today; the said shares are subject to a four month hold period expiring December 7, 2009. The Issuer has also paid US$10,000 to Genesis today.

The Issuer intends to have its exploration team mobilized in the coming weeks to begin work on the US$200,000 Phase 1 exploration program. This program will comprise of geologic mapping and geochemical sampling to evaluate and prioritize targets for drilling; ground magnetic survey over the claim block to define probable buried intrusions, breccia bodies and structures; and a dipole survey.

The Issuer's Filing Statement dated July 20, 2009 and NI 43-101 compliant technical report on the Property dated June 16, 2009 have both been filed under the Issuer's profile on SEDAR (www.sedar.com). Potential investors are encouraged to review the Filing Statement and technical Report, in their entirety, for full details of the Property and recommended work program.

Private Placement

As announced on May 19, 2009, the Issuer has completed its private placement totalling $350,000 undertaken in conjunction with the Qualifying Transaction. These funds were raised through the issuance by the Issuer of 1,750,000 common shares at a price of $0.20 per share.

As consideration for services rendered in connection with the private placement, the Issuer issued finder's fees of an aggregate 117,500 common shares ("Finder's Fee Shares") at a deemed price of $0.20 per share. The shares issued pursuant to the private placement and Finder's Fee Shares are subject to a hold period expiring December 7, 2009.

Grant of Stock Options

Effective today, the Issuer has granted an aggregate 440,000 incentive stock options (the "Options") to its directors and officers pursuant to its stock option plan. The Options are exercisable at a price of $0.20 per share for a five year period expiring August 6, 2014. Any shares acquired on exercise of the Options will be subject to a hold period expiring December 7, 2009.

Management

The following is a summary of present management:

James Campbell Graham, CEO, President and Director

Mr. Graham is a Professional Engineer in the province of British Columbia, registered with the Association of Professional Engineers and Geoscientists of British Columbia (1989). Mr. Graham graduated with an M.Eng. degree in Geophysical Engineering from Colorado School of Mines, Golden, Colorado (1985); and a B.Sc. in Geophysical Engineering from the Colorado School of Mines, Golden, Colorado (1982).

Mr. Graham has been self-employed as a consultant since April, 2007. He was Exploration Manager for Christopher James Gold Corp. (TSXV) of Vancouver, B.C. from April, 2006 until April, 2007; and self-employed as a consultant from January, 1989 until April, 2006. Mr. Graham has experience working on exploration projects throughout the world, primarily in Latin America, and with a variety of precious metals, uranium and industrial minerals. He has been involved in several advanced stage mining projects in both Venezuela and Mexico.

Mr. Graham is the qualified person on behalf of the Issuer responsible for the technical matters pertaining to the Storm Property.

Ronald E. Sowerby, CFO and Secretary

Mr. Sowerby is a Chartered Accountant and member of the Institute of Chartered Accountants of British Columbia (1969) and holds a Bachelor of Commerce degree from the University of British Columbia (1969).

Mr. Sowerby was Comptroller and Chief Financial Officer of TCG International Inc. (formerly Trans Canada Glass Ltd.) of Burnaby, B.C. from January 1970 until June, 2007. Trans Canada Glass Ltd. was a public company (TSX-V) during the years 1969 until 1996 when it became private. Mr. Sowerby was Corporate Secretary of Glentel Inc. (TSX) until June, 2007; and is currently a director of Glentel Inc. (since August, 1989).

Darrell A. Rader, Director

Mr. Rader holds a Bachelor of Business Administration and Finance from Simon Fraser University, Burnaby, B.C. (2001); and has successfully completed the Canadian Securities Institute's securities course on conducts and practices (2002).

Mr. Rader is currently a director of Source Exploration Corporation (TSX-V); and since April 2002 has performed Corporate Development for Energold Drilling Corp. and IMPACT Silver Corp., both public companies whose shares trade on the TSX Venture Exchange.

Christopher A. Bunka, Director

Mr. Bunka is a venture capitalist and entrepreneur with experience in the fields of corporate finance, marketing and business management. Mr. Bunka has over twenty years of experience working as a business consultant including oil and gas companies and to a lesser extent, with precious metals companies. Mr. Bunka is currently CEO and Chairman of Lexaria Corp. (since 2006), an active Mississippi based public oil and gas exploration and development company; CEO and Chairman of Golden Aria Corp. (since 2004), a public U.S. oil and gas exploration company with assets in Saskatchewan; and President of C.A.B. Financial Services Ltd., a private holding company (since 1988).

Dr. Edward Max Baker, Director

Dr. Baker is a member of the Australasian Institute of Mining and Metallurgy (1982). He attended James Cook University in Australia, obtaining a Ph.D. in May, 1985 and a B.Sc. Hons. in January, 1975.

Dr. Baker is an exploration geologist with over 30 years international exploration experience in the Americas, Asia, Australia and Europe. Dr. Baker is currently the President and CEO of Christopher James Gold Corp. (TSX-V) (since 2006). Dr. Baker has also held senior technical and managerial positions with several junior mining companies and his exploration experience ranges from grass roots level target generation and area selection through to the design and management of resource definition drilling programs. He is currently a director of Northern Lion Gold Corp. (TSX-V; Frankfurt) (since May, 2007). He has been a director of a number of other public companies listed on the TSX-V, AIM and TSX.

5.2 Disclosure for Restructuring Transactions

N/A.

Item 6 <u>Reliance on subsection 7.1(2) or (3) of National Instrument 51-102</u>

Confidentiality is not requested.

Item 7 <u>Omitted Information</u>

No information has been omitted in respect of the material change.

Item 8 <u>Executive Officer</u>

Darrell A. Rader, President
Tel (604) 681-9501

Item 9 <u>Date of Report</u>

August 6, 2009