FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 **Name and Address of Company**

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

Item 2 **Date of Material Change**

April 17, 2012

Item 3 **News Release**

The news release dated April 17, 2012 was issued in Vancouver, BC, and disseminated through Canada Stockwatch and Market News.

Item 4 **Summary of Material Change**

The Issuer announced that it has completed a first tranche closing of its non-brokered private placement and issued 1,144,500 Units at a price of $0.50 per Unit for gross proceeds of $572,250. Each Unit is comprised of one common share and one-half of one share purchase warrant, each whole warrant entitling the holder to purchase one additional common share for a period of twelve months from the date of closing at price of $0.65 per share. The securities are subject to a four month hold period expiring August 18, 2012. No finder's fees are payable in connection with the first tranche of the private placement.

The Issuer advises it will no longer be proceeding with the brokered portion of the private placement with Union Securities Ltd.

The proceeds of the private placement will be used by the Issuer to continue developing its projects in Zacatecas Silver Mining District in Zacatecas State, Mexico, including refurbishing the Santa Gabriela Mill and development of the San Acacio Mine, and for general working capital purposes.

Item 5 **Full Description of Material Change**

5.1 Full Description of Material Change

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5.2 Disclosure for Restructuring Transactions

N/A.

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

Confidentiality is not requested.

Item 7 **Omitted Information**

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

Item 8 **Executive Officer**

Bruce Winfield, President & CEO
Tel (604) 681-9501

Item 9 **Date of Report**

April 17, 2012