

FORM 52-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Etna Resources Inc.
Suite 200-551 Howe Street
Vancouver, British Columbia V6C 2C2

2. Date of Material Change

December 21, 2009

3. Press Release

The Press Release dated December 21, 2009 was disseminated via Market News Publishing and Canada Stockwatch.

4. Summary of Material Change

The Company announced that it has retained the TRU Group Inc. who are leading technical experts within the lithium mining sector, and a Securities Exchange Agreement with Sociedad Garesté Limitada whereby, upon closing of the transaction, Etna will obtain interests in a total of nine lithium salars in Chile.

5. Full Description of Material Change

See attached press release dated December 21, 2009

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

Not Applicable

7. Omitted Information

Not Applicable

8. Executive Officer

Jerry Minni
(604) 683-8610

9. Date of Report

December 21, 2009

December 21, 2009

TSX.V SYMBOL – ETN

**Etna Resources Inc. Announces Option to Indirectly Acquire Lithium Rights
in Existing Geothermal Operation**

Etna Resources Inc. ("**Etna**") is pleased to announce that it has entered into a Share Option Agreement (the "**Option Agreement**") dated December 18, 2009, with Escondidas Internacional S.A. de C.V., a privately held Mexican corporation ("**Escondidas**") and the shareholders of Escondidas (the "**Shareholders**"). Following the entry into the Option Agreement, the Shareholders granted an option to Etna to acquire 76% of the shares of Escondidas (the "**Option**"). Escondidas has entered into a joint venture and development agreement (the "**CPI Joint Venture**") with CPI Internacional S.A. de C.V., a privately held Mexican corporation ("**CPI**"), whereby CPI and Escondidas have agreed to jointly process lithium and precious metals in the Cierro Prieto geothermal brines that are owned by CPI through concessions and located in Baja California, Mexico, roughly 30 km south of the city of Mexicali.

*CPI is the owner of concessions granted by the Mexican Federal Water Commission that hold residual brine waters which are produced from deep wells at Cierro Prieto by the Mexican Federal Electrical Commission (the "**MFEC**"). The MFEC operates the Cierro Prieto geothermal power plant, which, at 720 MW, is the second largest such plant in the world. MFEC pumps brines from these deep wells and diverts the steam fraction to its power plant, delivering the residual brines to CPI.*

The CPI Joint Venture calls for Escondidas and CPI to mutually exploit, industrialize and commercialize lithium chloride minerals and derivative lithium products from the brines. At a minimum, Escondidas will receive a 33% interest carried through production of lithium products. Should CPI be unable to provide project financing for the lithium production facilities, Escondidas has the opportunity to bring project financing and increase its interest in any lithium project and resultant products.

*Upon the exercise of the Option, Etna will acquire the irrevocable right to receive 76% of the issued and outstanding shares of Escondidas held by the Shareholders. In consideration for the Option, Etna has agreed to pay or issue the following on the closing date of the Option Agreement on a pro rata basis: (i) payment of US\$125,000 to the Shareholders; (ii) issuance of 10,300,000 common shares in the capital of Etna to the Shareholders; and (iii) issuance of 7,500,000 warrants (each, a "**Warrant**") to the Shareholders, each Warrant of which entitles the Shareholder to acquire an additional Etna share at the exercise price of CDN\$0.50 per share for a period of two years from the closing date. In addition, Etna is obligated to pay to the Shareholders the following sums on a pro rata basis: (i) US\$500,000 6 months from the date of closing; (ii) US\$500,000 12 months from the date of closing; and (iii) US\$750,000 18 months from the date of closing. The proposed acquisition is between arm's length parties. As a result, the proposed acquisition will not require shareholder approval from the shareholders of Etna.*

The Option Agreement further provides that Etna will pay: (i) US\$150,000 to Escondidas on signing for the repayment of outstanding indebtedness owed by Escondidas; (ii) US\$50,000 to Escondidas on signing, and US\$25,000 on a monthly basis thereafter until the earlier of the closing date or the termination of the Option Agreement to cover costs relating to outstanding expenses, due diligence, legal fees and other general and administrative expenses of Escondidas; and (iii) US\$50,000 to Escondidas at closing for the repayment of outstanding indebtedness owed by Escondidas.

Conditions of Closing

The parties have agreed to close the proposed transaction on or before March 31, 2010, or such other date as the parties may agree to in writing. Exercise of the Option and completion of the proposed transaction will be subject to certain conditions including: (i) completion of the Etna's satisfactory due diligence review of Escondidas, the CPI Joint Venture, and the concessions; (ii) receipt of all necessary regulatory and exchange approvals; and (iii) the amendment of the Charter of Escondidas to provide certain minority shareholder protection rights.

Business of Escondidas

Escondidas is a private Mexican company established in 2005 and engaged in the business of acquiring interests in mineral projects in Mexico. The CPI Joint Venture is the first such project acquired by Escondidas. The concessions covered by the CPI Joint Venture are believed to contain lithium and precious metals which may be developed in commercial quantities. In particular, lithium is contained in brines which are a residual component of geothermal power generation at Cierro Prieto, which are delivered to CPI as owner of the concessions. Etna believes that Escondidas will be able to capitalize on the substantial existing infrastructure of the geothermal power plant (well fields, evaporation ponds and related facilities) which could result in capital and operating cost savings for purposes of the construction and operation of a lithium products recovery facility. Moreover, there are limited exploration risks such as those encountered with typical mining projects.

On Behalf of the Board,

ETNA RESOURCES INC.

/s/ Andrew A Brodkey

Andrew A. Brodkey

President and CEO

For further information contact:
Tel: 520-989-0022

This press release contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company such as the statement that: (i) Etna may exercise the Option; (ii) the closing of the Option Agreement may occur and that closing may occur on or prior to March 31, 2010; (iii) should CPI be unable to provide project financing, Escondidas has the opportunity to bring the project financing and increase its interest in any lithium project and resultant products; (iv) the concessions covered by the CPI Joint Venture are believed to contain lithium and precious metals which may be developed in commercial quantities; and (v) Etna believes that Escondidas will be able to capitalize on the substantial existing infrastructure of the geothermal power plant which could result in capital and operating cost savings for purposes of the construction and operation of a lithium products recovery facility. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including the: (i) adverse results from due diligence on Escondidas, material agreements and the concessions related thereto; (ii) inability to close the Option Agreement and obtain Exchange approval for any reason; (iii) adverse market conditions; (iv) a decrease in demand for and price of lithium; and (v) general uncertainties with respect to mineral exploration in general. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice.

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