

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

*United Mining Group, Inc.
(the "Company")
1075 West Georgia Street, Suite 1980
Vancouver, BC
V6E 3C9*

Item 2. Date of Material Change

March 24, 2011

Item 3. News Release

The news release was issued on March 24, 2011 and disseminated by Marketwire.

Item 4. Summary of Material Change

The Company announced a US\$9 million pre-production mine development program and operations update on its intermediate-advanced stage Crescent Silver Mine project, located in Silver Valley Idaho, in the Coeur d'Alene Mining District.

Item 5. Full Description of Material Change

See attached Schedule "A".

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

This Report is not being filed on a confidential basis.

Item 7. Omitted Information

None.

Item 8. Executive Officer

*Donna M. Moroney,
Corporate Secretary
604.696.4236*

Item 9. Date of Report

April 6, 2011

SCHEDULE "A"



**UNITED MINING GROUP ANNOUNCES US\$9 MILLION
DEVELOPMENT PROGRAM TO ACCELERATE START UP OF THE
CRESCENT SILVER MINE**

VANCOUVER, BRITISH COLUMBIA, March 24, 2011 - United Mining Group, Inc. ("UMG" or the "Company"), (TSX:UMG)(OTCQX:UMGZF)(FRANKFURT:UM8) is pleased to announce a US\$9 million pre-production mine development program and operations update on its intermediate-advanced stage Crescent Silver Mine project, located in Silver Valley Idaho, in the Coeur d'Alene Mining District.

The Company has achieved significant progress since May 2010, when it acquired through an earn-in agreement an 80 percent ownership interest in the Crescent Silver Mine, by spending \$9 million in exploration and development within a three-year period. During 2010, the Company successfully repaired and rehabilitated approximately 6,000 feet of the Hooper Tunnel, the main entrance to the mine and completed a 450 foot exploration drift extension, the first phase of a program to extend the tunnel an additional 1,100 feet west, to allow access for underground drilling. Additionally, construction of the Countess Portal in the upper elevations of the property, above the Hooper Tunnel, was completed along with construction of 1,337 feet of the Countess Decline ramp, the first phase of a program to drive the ramp 2,200 feet into the property to provide access to the Alhambra and South veins. As of December 31, 2010, the Company spent approximately \$3.7 million toward its \$9 million earn-in commitment, exceeding its requirement to spend \$2 million in the first year. The Crescent Silver Mine Earn-in Agreement includes an acceleration option whereby the Company will earn a 50% ownership interest in the Crescent Silver Mine property, once it has spent \$5 million in exploration and development.

In January 2011, the Company continued construction of the final 650 feet of the planned 1,100 foot extension of the Hooper Tunnel which is scheduled for completion in the second quarter of 2011. The 1,100 foot extension will allow for further underground drilling. In mid March development mining crews completed the Countess Decline Ramp to 2,200 feet. The Countess Decline Ramp now provides production access to the Alhambra and South veins and will allow the Company to pursue further project exploration and growth potential. Initial ore drifting on the South Vein has commenced along with development of the footwall and attack ramps.

Results of the 2011 underground and surface exploration and development programs are expected to contribute to an update of the previously established NI 43-101 compliant indicated resource estimate of 6.1 million ounces of silver (324,000 tons grading 18.7 opt silver), and inferred resources of 4.1 million ounces silver (211,000 tons grading 19.5 opt silver) (SRK Consulting, NI 43-101 March 1, 2010).

The primary focus of the underground and surface drilling and sampling program is the previously un-mined, high-grade South Vein.

As a condition of reopening the Crescent Silver Mine, the Company is required to build a secondary escape way from the mine and has studied several options that would allow the Company to commence production in the first half of 2012. The initial option, an internal shaft raise, which was scheduled to commence construction in June 2011, for completion in May 2012, at an estimated cost of \$7 million, has been replaced with a second option, the Wilkie Incline, a secondary ramp at 3,600 foot elevation, scheduled to commence construction in May 2011, at an estimated cost of \$5.9 million, with completion planned in December 2011. Independent from the Hooper Tunnel, the mine's main entrance, the Wilkie Incline is designed to allow all underground production and development to proceed quickly and easily on both the Alhambra and South veins. To view the Company's three dimensional models depicting the proposed development program for the Crescent Silver Mine, please click on <http://www.unitedmininggroup.com/maps.php> or go to the Company's website at www.unitedmininggroup.com.

"As the Company moves toward its goal of bringing the Crescent Silver Mine back into production it is also building its engineering, geological, mining and safety support teams. Our aggressive 2011 exploration program along with the construction of the Wilkie Incline will provide significant operational advantages both in terms of costs and scheduling. By shortening our pre-production mine development program by 3-5 months, the Wilkie Incline is expected to allow the Company to commence initial production at the Crescent Silver Mine in the first quarter of 2012, at least one quarter earlier than originally anticipated", said Mr. Charles Pitcher, Chief Executive Officer.

ABOUT UNITED MINING GROUP

United Mining Group is a vertically integrated mining company with operations in Idaho, USA. The Company is currently earning, through development and operations, an 80% interest in the Crescent Silver Mine project in Idaho's prolific Silver Belt - directly between two of the world's historically largest silver producing properties, the Sunshine and Bunker Hill mines. The Company also offers a full suite of mining services including contract mining and mine machine repair and fabrication services to silver miners in the district. UMG is committed to building a senior silver-producing mining company based on aggressive exploration and development of the highly-prospective current land position at the Crescent Silver Mine project and through the acquisition of additional precious metals interests.

The Company trades on the Toronto Stock Exchange under the symbol "UMG". For more information about the Company, please visit: www.unitedmininggroup.com.

In compliance with NI 43 101, David Deering, P.Eng., is the Qualified Person responsible for the accuracy of this news release.

ON BEHALF OF UNITED MINING GROUP, INC.

"Charles Pitcher"

Chief Executive Officer

FOR MORE INFORMATION, PLEASE CONTACT:

Greg Stewart

Chief Operating Officer

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FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements, which address future events and conditions, which are subject to various risks and uncertainties. The Company's actual results and financial position could differ materially from those anticipated in such forward-looking statements as a result of numerous factors, some of which may be beyond the Company's control. These factors include: results of exploration activities and development of mineral properties, estimation of mineral reserves and resources, fluctuations in the marketplace for the sale of minerals, the inability to implement corporate strategies, the inability to obtain financing, currency fluctuations, general market and industry conditions and other risks disclosed in the Company's filings with Canadian Securities Regulators.

Forward-looking statements are based on the expectations and opinions of the Company's management on the date the statements are made. The assumptions used in the preparation of such statements, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

The TSX Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.