

MATERIAL CHANGE REPORT
Form 51-102F3

Item 1 **Name and Address of Company**

Azul Ventures Inc. (“Azul” or the “Corporation”)
330 Bay Street, Suite 820
Toronto, Ontario
M5H 2S8

Item 2 **Date of Material Change**

August 9, 2013.

Item 3 **News Release**

The Corporation issued a press release relating to the material change described herein on August 9, 2013, through Marketwire.

Item 4 **Summary of Material Change**

On August 9, 2012, the Corporation completed a non-brokered private placement offering of \$700,000 of gross proceeds based on the issuance of 8,750,000 units (the “Units”) at a price of \$0.08 per Unit. Each Unit consisted of one common share and one common share purchase warrant (a “Warrant”). Each Warrant entitles the holder to acquire a common share at an exercise price of \$0.15 for a period of 24 months from August 9, 2013 (the “Closing”). The Common Shares and Warrants will be subject to a resale restriction for a period of four months plus one day from Closing. The net proceeds of the offering will be used to fund the Corporation’s exploration and development activities, to repay outstanding debt and for general working capital purposes.

Item 5 **Full Description of Material Change**

5.1 Full Description of Material Change

For a full description of the material change, please refer to the press release of the Corporation dated August 9, 2013, attached hereto as Schedule “A”.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 **Reliance on Section 7.1(2) of National Instrument 51-102**

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

The name and business number of an executive officer of the Corporation who is knowledgeable about the material change and this report is: Brad Boland, Chief Financial Officer and Corporate Secretary: (416) 907-7363.

Item 9 Date of Report

This report is dated September 7, 2013.

SCHEDULE “A”

AZUL ANNOUNCES PRIVATE PLACEMENT

TORONTO, ONTARIO (AUGUST 9, 2013) Azul Ventures Inc. (“Azul”, or the “Company”) (TSX Venture Exchange – AZL) is pleased to announce the closing of a non-brokered private placement offering (the “Offering”) of \$700,000 of gross proceeds based on the issuance of 8,750,000 units (the “Units”) at a price of \$0.08 per Unit. Each Unit consisted of one common share (a “Common Share”) and one common share purchase warrant (a “Warrant”). Each Warrant entitles the holder to acquire a common share at an exercise price of \$0.15 for a period of 24 months from August 9, 2013 (the “Closing”). The Common Shares and Warrants will be subject to a resale restriction for a period of four months plus one day from Closing. The net proceeds of the offering will be used to fund the Company’s exploration and development activities, to repay outstanding debt and for general working capital purposes.

THE COMMON SHARES WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS ABSENT REGISTRATION OR AN APPLICABLE EXEMPTION FROM U.S. REGISTRATION REQUIREMENTS. THIS PRESS RELEASE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL.

About Azul Ventures Inc.

Azul Ventures Inc. is a mineral exploration company with the rights, through its wholly owned subsidiary Minera Azul Ventures Limitada, to acquire a 100% interest in two prospective copper-iron properties in La Higuera, Chile: the **La Higuera Property** and the **Caballo Blanco Property**. The properties are located approximately 600 km north of Santiago in a prolific I.O.C.G. belt surrounded by excellent infrastructure in a mining friendly jurisdiction.

The **La Higuera Property** was assembled as a result of the first-time consolidation of mining rights and covers a historic copper mining district with mining activity dating back to at least the late 18th century; however, there had been no known modern exploration conducted on the property. The mining concessions total 1,076 hectares and include two option agreements with separate concession holders (down from a total of 1,230 hectares which included four option agreements with concession holders, as two option agreements have been dropped). Since the consolidation of the mining rights in June 2011, Azul completed a rock sampling program, completed geophysical work which generated intense magnetic and chargeability anomalies coincident with existing copper workings, finalized a 4,088 m drill program and an underground mapping and sampling program.

The **Caballo Blanco Property**, which begins approximately 1 km southwest of the **La Higuera Property**, has historical copper workings and a total of 15 broad spaced reconnaissance holes were completed at **Caballo Blanco** by previous option holders. The Company has received and logged the core from these historical drill holes.

For further information contact:

Azul Ventures Inc.

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Email: info@azul-ventures.com

Website: www.azul-ventures.com

Cautionary Statements

Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; market conditions; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the absence of dividends; competition; dilution; the volatility of our common share price and volume and the additional risks identified in the "Risk Factors" section of the Company's Filing Statement or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and Azul undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements.

Neither the 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.