FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Pinecrest Resources Ltd. (the “Company”)
Suite 1820, 999 West Hastings Street
Vancouver, BC V6C 2W2

Item 2: Date of Material Change

July 19, 2011

Item 3: News Release

The news release was disseminated on July 19, 2011 through Baystreet and Stockwatch and filed on SEDAR.

Item 4: Summary of Material Change

The Company announced that it has completed the acquisition of the option (the “Option”) to acquire a 50% interest in the Espiritu Property located in Sahuaripa, Sonora Mexico from Kootenay Gold Inc. (“Kootenay”) pursuant to an option agreement dated February 28, 2011 among Pinecrest, Kootenay and Minera J.M., S.A. de C.V., Kootenay’s wholly-owned subsidiary (the “Option Agreement”). In conjunction with the acquisition of the Option, the Company has also completed an non-brokered private placement to raise gross proceeds of $770,000; Edward Farrauto has resigned as Chief Financial Officer of the Company and has been replaced by Kristian Dagsaan, and Ryan King has resigned as Corporate Secretary of the Company and has been replaced by Douglas Forster.

In addition, the TSX Venture Exchange (the “Exchange”) has accepted the Company’s 20% fixed stock option plan (the “Plan”), subject to receipt of shareholder approval, which was subsequently received at the Company’s annual and special meeting held on July 13, 2011.

Item 5: Full Description of Material Change

The Company announced that it has completed the acquisition of the Option from Kootenay pursuant to the Option Agreement.

In conjunction with the acquisition of the Option, the Company has completed a concurrent private placement (the “Private Placement”) on a non-brokered basis and raised gross proceeds of $770,000 by the issuance of an aggregate of 3,500,000 units (each a “Unit”) of the Company at a purchase price of $0.22 per Unit. Each Unit consists of one common share of the Company and one transferable common share purchase warrant (each a “Warrant”). Each Warrant entitles the holder to purchase one common share of the Company at an exercise price of $0.30 per share at any time until July 12, 2014. All securities issued pursuant to the Private Placement are subject to a four month hold period which expires on November 13, 2011. The acquisition of the Option by the Company and the completion of the concurrent Private Placement represents the Company’s qualifying transaction under the policies of the Exchange.

Concurrently with the completion of the acquisition of the Option, Edward Farrauto resigned as Chief Financial Officer of the Company and was replaced by Kristian Dagsaan, and Ryan King resigned as Corporate Secretary of the Company and was replaced by Douglas Forster.

In addition, the Exchange has accepted the Plan, subject to receipt of shareholder approval, which was subsequently obtained at the Company's annual and special meeting held on July 13, 2011. The Plan will allow the Company to grant options in an amount not to exceed 2,220,000 common shares, including the existing 740,000 common shares currently subject to outstanding stock options, and including the 100,000 and 90,000 common shares which may be issued upon the exercise of stock options, at an exercise price of $0.30 per share, granted on July 12, 2011 to Kristian Dagsaan, Chief Financial Officer, and Kimberly Williams, a director of the Company, respectively, which stock options will expire on July 12, 2016.

The common shares of the Company commenced trading on Tier 2 of the Exchange under the symbol PCR on July 14, 2011.

Item 6: Reliance on subsection 71(2) of National Instrument 51-102

N/A.

Item 7: Omitted Information

N/A.

Item 8: Executive Officer

The following executive officer of the Company is knowledgeable about the material change disclosed in this report and may be contacted as follows:

Edward Farrauto
Telephone: (604) 687-3992

Item 9: Date of Report

July 19, 2011