FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Montero Mining and Exploration Ltd.
20 Adelaide Street East, Suite 400,
Toronto Ontario
M5C 2T6

Item 2 Date of Material Change

February 14, 2012

Item 3 News Release

The press release attached as Schedule A was released on February 14, 2012.

Item 4 Summary of Material Change

The material change is described in the press release attached as Schedule A.

Item 5 Full Description of Material Change

The material change is described in the press release attached as Schedule A.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Antonia Chapman
Chief Financial Officer
Montero Mining and Exploration Ltd.
647 998-8730

Item 9 Date of Report

February 14, 2012

SCHEDULE A

Montero announces the presence of Strontium in the mineralized rare earth bearing dikes at the Wigu Hill Rare Earth Project, Tanzania

Toronto, Ontario (February 14, 2012): Montero Mining and Exploration Ltd. (TSX.V: MON) ("Montero") announces that the presence of measurable amounts of strontium ("Sr") have been identified in bastnaesite bearing carbonatite dikes as highlighted in the Twiga Zone at Wigu Hill. The strontium occurs as strontianite ($SrCO_3$) which is associated with the rare earth and gangue minerals. The presence of strontianite was established during the initial mineralogical work that identified bastnaesite and synchisite as the main rare earth bearing minerals.

The significance of the strontium was identified as being potentially economically important once it was established that the mineral could be leached into solution during the acid leach testwork undertaken at Mintek. (See News Release dated 05/12/2011). A review of the distribution of strontium in the trench and drill hole samples from Wigu Hill was undertaken and proved the presence of significant amounts in the carbonatite dikes of between 1% to 2% SrO. The average SrO content of the composites used for the Twiga and Tembo resource estimates is 1.4%. Around 10% of the composites appear to belong to a higher grade population with grades in the range of 2.5% to 6% SrO, with localized concentrations up to 10.80% SrO.

> Dr. Tony Harwood, President and CEO of Montero commented, *"In addition to the rare earth concentrations in the Wigu Hill carbonatite dikes, the added presence of strontium is a positive new development. Metallurgical testwork has indicated the strontianite can be leached into solution, suggesting a potential by-product to the extraction of the rare earths. Ferrite magnets, glass applications and pyrotechnics remain the top end-use industries in strontium consumption. This is an exciting development as we continue to create value at Wigu Hill".*

The presence of strontium is being investigated in more detail to establish the potential of realizing value from this element as a by-product to the production of rare earth elements at Wigu Hill. There is a consistent association of strontianite with the bastnaesite and although this association is not directly proportional, it has the potential to be economically valuable.

An assessment of the strontium content in association with bastnaesite in the rare earth mineralised carbonatites at the Twiga Zone shows that there are carbonatite dikes that are well mineralized with strontium as can be seen in Tables 1 to 3 below;

Twiga Trench	From (metres)	To (metres)	Interval (metres)	True Width (metres)	TREO %	SrO %
CT7a	7.95	19.30	11.35	7.25	9.68	1.72
CT8b	16.70	25.60	8.90	5.70	12.43	2.52
CC1	4.10	18.80	14.70	10.69	11.37	4.19
Including	***4.10***	***9.10***	**5.00**	**3.65**	**18.65**	**7.40**
CC2	3.15	16.15	13.00	9.50	14.02	3.25
Including	***3.15***	***8.15***	***5.00***	***3.65***	***18.12***	***3.19***
Including	***4.15***	***5.15***	***1.00***	***0.73***	***27.26***	***8.51***

CC3	3.00	13.00	10.00	7.30	9.16	2.19
CC4	0.00	11.40	11.40	6.48	6.95	2.70
CC5	18.30	36.00	17.70	10.15	12.45	0.90
Including	**28.40**	**36.00**	**7.60**	**4.35**	**17.34**	**0.92**
CC6	5.40	9.10	3.70	2.10	15.93	0.74
CC7	7.50	13.00	5.50	3.15	9.23	0.83
CC7	20	27	7	4.01	8.56	0.70

Table 1. Twiga Zone –The EW Dike reflects variable amounts of SrO at different intersection points

Twiga Trench	From (metres)	To (metres)	Interval (metres)	True Width (metres)	TREO %	SrO %
CT7a	45.75	51.80	6.05	5.84	13.32	0.41
CT8a	3.60	29.80	26.20	25.8	4.82	1.44
Including	**3.60**	**13.10**	**9.50**	**9.35**	**7.03**	**2.48**
CT9b	101.60	120.55	18.95	18.5	8.07	2.04
CT9c	2.60	6.90	4.30	4.23	11.72	0.54
CT10a	4.00	8.50	4.50	4.43	8.86	1.28
CT13a	49.20	54.90	5.70	5.61	8.62	4.28
CT14-15	5.80	10.00	4.20	4.10	6.92	5.67

Table 2. Twiga Zone - The NS dykes demonstrate anomalous concentrations of SrO

Twiga Drill hole	From (metres)	To (metres)	Interval (metres)	True Width (metres)	TREO %	SrO %
TW003R	18.54	39.40	20.86	20.76	6.23	2.84
Including	***18.54***	***22.73***	***4.19***	***4.12***	***9.24***	***1.97***
&	***25.9***	***29.95***	***4.05***	***4.03***	***11.93***	***5.63***
&	***33.2***	***34.60***	***1.40***	***1.39***	***16.69***	***10.80***
TW014	24.40	29.40	5.00	3.00	6.52	0.51
TW014	67.00	69.20	2.20	2.20	5.95	2.72
TW014	85.70	87.20	1.50	1.50	6.57	1.91
TW014	92.06	93.86	1.80	1.80	11.51	0.84
TW014	139.20	148.25	9.05	7.25	5.37	2.72
Including	***141.38***	***144.38***	***3.00***	***2.40***	***7.62***	***0.89***
TW006	123.85	128.25	4.40	3.11	4.32	4.43
TW005	70.68	79.2	8.52	8.48	5.74	0.58
Including	***71.56***	***76.83***	***5.27***	***5.24***	***8.67***	***0.75***
TW002	21.95	29.54	7.59	7.13	5.58	1.80
Including	**26.80**	**29.54**	**2.74**	**2.57**	**10.69**	***2.45***
TW001	9.85	18.93	9.08	8.94	6.10	**5.32**
Including	**14.20**	**17.4**	**3.20**	**3.13**	**9.79**	***9.39***
TW004	73.60	76.51	2.91	2.60	4.30	0.21
TW011	69.90	77.35	7.45	5.26	4.17	0.48
Including	**76.00**	**77.35**	**1.35**	**0.95**	**11.18**	***1.19***

Table 3. Twiga Zone – Drill hole intersections within both the NS and EW dikes also reflects variable SrO concentrations, but with significantly high grades and values in places.

Note: The TREO values listed in the tables above are the graded average of 14 rare earth oxides, namely, **La_2O_3, Ce_2O_3, Pr_2O_3, Nd_2O_3, Sm_2O_3,** Eu_2O_3, Gd_2O_3, Tb_2O_3, Dy_2O_3, ErO_3, Ho_2O_3, Lu_2O_3, Tm_2O_3 and Yb_2O_3. The 5 light rare earths (bold above) have been graded together as LREO x5. . They constitute the majority of the Wigu Hill rare earth oxides. These values plus the individual light rare earth values can be accessed in the detailed tables at: http://www.monteromining.com/projects/pdf/twiga-Sr-values.pdf

Future Work Programs

A systematic assessment of the distribution of strontium in the mineralized carbonatite dikes at Wigu Hill is planned and this will assist in determining the potential value add. The Leaching test work carried out on material from Wigu Hill has been successful in isolating the Sr in the first stage of the acid leach and additional testwork is proposed to establish a recovery procedure to extract the Sr from this leachate.

QA/QC: Montero has used blanks, pulp duplicates and one analytical standard to monitor the sampling and analytical quality. Results to date for the blank and pulp duplicates show acceptable quality for the main REEs of interest. The standard used was prepared on behalf of Montero using material from Wigu Hill and has certified analytical values for Ce, La, Pr and Sm based on analyses from 16 different laboratories. A review of the REE results reported by ALS Chemex, indicates that these meet the required level of analytical quality.

A review of the available SrO results for the QC materials used to monitor the quality of the REE analyses has recently been completed. This indicates acceptable analytical precision and no contamination issues with respect to the SrO results. However, available QA/QC results for the standards used to monitor the quality of the REE analyses are not appropriate to confirm the accuracy of SrO analyses in the database. SrO results for the REE standard used by Montero (AMIS0185) are about 12% higher relative to the results reported by Genalysis in early 2011. SrO results for the same standard reported by ALS Chemex were about 6% higher at the end of the 2011 relative to values reported at the start of the year. This issue is currently being investigated in order to determine whether any adjustments need to be made to the SrO analyses in the existing database prior to their use in Mineral Resource estimation. Additional standards certified for REEs and SrO (at appropriate grades) will be acquired in order to monitor SrO and REE contents in future analytical programmes.

Qualified Person's Statement

The technical information contained in this press release has been reviewed by Mr. Mike Evans, M.Sc. Pr.Sci.Nat., who is a qualified person for the purpose of National Instrument 43-101 and a consulting geologist to Montero.

About Montero Mining and Exploration

Montero Mining and Exploration Ltd. Is a mineral exploration and development company engaged in the identification, acquisition, evaluation and exploration of mineral properties primarily focused on rare earth elements (REE), phosphates and uranium in Tanzania, South Africa and Quebec, Canada respectively. Montero is focused on adding value for all shareholders through the acquisition and exploration on properties, which have the highest potential for future discoveries or development of existing mineral resources into mineable reserves. We remain engaged in the development of our flagship Wigu Hill Rare Earth Element Project in Tanzania, which is a high-grade, undeveloped Light Rare Earth Element deposit. The Company's current focus is on updating the initial NI 43-101 Mineral Resource Estimate and advancing the hydro-metallurgical testwork with Mintek. With the rising prices of REEs and China's control over export quotas, it is becoming imperative that the rest of the world develops new rare earth resources to meet the increasing demand from "green" technology and high-tech applications.

Montero's growth strategy is to develop the Wigu Hill Rare Earth Element project and to bring this to account through eventual rare earth production and cash flow, while operating in an environmentally and socially responsible manner. We will continue to add value through the development of our portfolio of properties. Montero trades on the TSX Venture Exchange under the symbol MON.

Signed. **Dr. Tony Harwood** - President and CEO

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This News Release includes certain "forward-looking statements". These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, project development, reclamation and capital costs of the Company's mineral properties, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: changes in general economic conditions and conditions in the financial markets; changes in demand and prices for minerals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; technological and operational difficulties encountered in connection with the activities of the Company; and other matters discussed in this news release. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.