

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

June 13, 2012

Item 3 News Release

The press release attached as Schedule A was released on June 13, 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

June 13, 2012

SCHEDULE A



Trench results confirm continuity of mineralization at the Lower Nyati target at the Wigu Hill Rare Earth Project, Tanzania.

Toronto, Ontario (June 13th, 2012): Montero Mining and Exploration Ltd. (TSX.V: MON) ("Montero") announces the results from four additional surface trenches excavated on the Lower Nyati Target upslope from the Tumbili Target area, at the Wigu Hill Rare Earth Project in Tanzania. The positive results returned from these four trenches substantiate the results reported recently from the Lower Nyati Target area (See News Release dated 03/04/2012 and 10/04/2012).

Highlights of the results on wide trench intersections were found in trenches WTRN004, WTRN006 and WTRN007 as follows:

- **2.24% TREO over 112.4m (incl. 3.92% TREO over 14m and 3.65% TREO over 16m)**
- **3.04% TREO over 42.0m (Including 3.80% TREO over 20m)**
- **3.11% TREO over 44.0m (including 4.31% TREO over 14m)**

(All widths above are apparent widths, and trenches are as close as possible to right angles to the strike of the carbonatites).

These latest positive trench results continue to confirm the extent of the mineralization on the Lower Nyati Target. They substantiate the high-grade TREO values returned from the grab and panel sampling program and from the initial trenching and drilling results.

Dr. Tony Harwood, President and Chief Executive Officer of Montero commented, *"The latest trenching results from the Lower Nyati Target confirm the continuity of mineralization and strengthens our confidence in that further drilling at the Nyati targets should increase the resource substantially. Montero remains focused on de-risking the project to support the fast-track to market strategy while seeking non-equity funding via off-take or strategic partnerships."*

The detailed exploration undertaken to date at the Lower Nyati Target has covered less than half of the anomalous area of interest. Despite limited exposure, drilling and trenching has identified an extensive zone of carbonatite-hosted bastnaesite-rich mineralization. The upside potential is still open ended and the exploration focus will be the mineralized carbonatites zones identified here and their continuation to the north and west.

Abundant bastnaesite-rich mineralization occurs disseminated as fine and coarse aggregated crystals in the dolomitic and sideritic carbonatite dikes. It is within these mineralized carbonatites that the higher grade mineralization is found. The intrusion of the carbonatite dikes has resulted in the assimilation of the foliated gneiss host rock material as altered and partially mineralized breccia fragments in the dikes. Where this dilution occurs, lower grade carbonatite mineralization is found.

To view the geological interpretation plan showing all of the trenches completed to date with assays where available plus the current and proposed drilling please visit: <http://www.monteromining.com/projects/pdf/nyati-trench.pdf>

Trenching at the Lower Nyati target

Initial reconnaissance exploration at the Lower and Upper Nyati Target areas has established the potential for extensive rare earth mineralization within bastnaesite-rich carbonatite dikes at Wigu Hill. The first three trenches WTRN001/002/003 excavated at Nyati returned positive results. (See News Release dated 03/04/2012) and four additional trenches WTRN004/005/006/007 have been excavated at Lower Nyati to expose and evaluate the mineralized carbonatite potential. Trench WTRN004 lies 200m to the south west of trenches WTRN001 and 002 and the results from this trench substantiate the strike extent and continuity of the zones of mineralisation in trenches WTRN001/002 and in drill hole NYT003. Trenches WTRN005/WTRN006/WTRN007 are positioned in the north west part of the Lower Nyati target area and indicates mineralization with a north-south strike.

Trench WTRN006 straddles the outcrops adjacent to drill holes NYT004 and NYT005 and substantiates the continuity of the mineralization intersected in a continuous zone in drill hole NYT005 which grades 2.83% TREO over an apparent width of 105.00m. To the north of this along strike, Trench WTRN005 exposes mineralization grading 2.68% TREO over 11m. Trench WTRN007 to the west of Trench WTRN006 exposes a mineralized zone grading at **3.11% TREO over 44m**. Further excavations are necessary to follow up on these encouraging results. The value of trenching in defining the underlying geology and mineralization is evident from the results listed below:

Trench number	From (metres)	To (metres)	Apparent width metres	TREO grade %	SrO grade %
WTRN004	0	112.4	112.40	2.24	1.59
<i>including</i>	12.00	26.00	14.00	3.92	3.92
<i>including</i>	38.00	54.00	16.00	3.65	3.65
WTRN005	46.00	57.00	11.00	2.68	2.31
WTRN006	0.00	8.00	8.00	2.50	0.87
and	38.00	80.00	42.00	3.04	1.78
<i>Including</i>	60.00	80.00	20.00	3.80	3.01
and	88.00	100.60	12.60	2.44	1.66
WTRN007	0.00	44.00	44.00	3.11	1.17
<i>Including</i>	22.00	36.00	14.00	4.31	2.11

Table 1. Graded assay results from 4 trenches on the Lower Nyati target

The results from these four trenches together with previous trench and drill hole information provide additional evidence and encouragement on which to base a diamond drill hole exploration program to establish a resource from the Lower Nyati target.

QA/QC: Montero has used blanks, field duplicates and one analytical standard to monitor the sampling and analytical quality. Results to date for the blank and field 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 results reported by ALS Chemex, indicates that these meet the required level of analytical quality.

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. Grab samples are selective by nature and are unlikely to represent average grades on the property.

About Montero Mining & Exploration

Montero Mining and Exploration Ltd. is a mineral exploration and development company engaged in its flagship Rare Earth Elements (REE) Project Wigu Hill in Tanzania and has phosphate assets in South Africa and uranium assets in Tanzania and Quebec, Canada. The flagship Wigu Hill REE Project is a high-grade, undeveloped Light Rare Earth Element deposit, where the current focus is on updating the initial NI 43-101 Mineral Resource Estimate and advancing the hydro-metallurgical testwork with Mintek. Montero has a fast-track strategy to advance a portion of the Wigu Hill deposit to the mining and production stage in the short-term while further defining a larger deposit. With 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 and de-risk 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. Montero trades on the TSX Venture Exchange under the symbol MON.

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

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