

MATERIAL CHANGE REPORT
Form 51-102F3

Item 1 **Name and Address of Company**

Magnum Capital Corp. (the “Corporation”)
2489 Bellevue Avenue
West Vancouver, British Columbia
V7V 1E1

Item 2 **Date of Material Change**

The material change occurred on September 21, 2012.

Item 3 **News Release**

The Corporation issued a press release on September 21, 2012, through Marketwire.

Item 4 **Summary of Material Change**

The Corporation has entered into a binding option agreement with International Bethlehem Mining Corp. pursuant to which the Corporation has been granted an option to acquire a 51% undivided interest in certain mineral properties situated in south central British Columbia (the “Acquisition”). The Corporation intends for the Acquisition to constitute the Corporation’s Qualifying Transaction.

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 September 21, 2012 attached hereto as Schedule “A”.

5.2 **Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

Item 7 **Omitted Information**

Not applicable.

Item 8 **Executive Officer**

The name and business telephone number of an executive officer of the Corporation who is knowledgeable about the material change and this report is:

Daniel B. Evans – President, Chief Executive Officer and Director
Telephone: (604) 922-2030

Item 9 **Date of Report**

This report is dated the 21st day of September, 2012.

SCHEDULE "A"

PRESS RELEASE

MAGNUM CAPITAL CORP.

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Magnum Capital Corp. Announces Option Agreement for Qualifying Transaction with International Bethlehem Mining Corp.

September 21, 2012 - Vancouver, British Columbia – Magnum Capital Corp. (TSXV: MGK.P) ("**Magnum**" or the "**Corporation**") is pleased to announce that it has entered into a binding option agreement dated for reference September 6, 2012, with International Bethlehem Mining Corp. ("**International Bethlehem**") (the "**Option Agreement**"), granting Magnum an option (the "**Option**") to acquire a 51% undivided interest in certain mineral properties situated in south central British Columbia (the "**Acquisition**").

The Corporation is incorporated under the provisions of the *Business Corporations Act* (Alberta) with its registered office in Calgary, Alberta. It is a capital pool company ("**CPC**") and intends for the Acquisition to constitute the 'Qualifying Transaction' of the Corporation as such term is defined in the policies of the TSX Venture Exchange Inc. (the "**Exchange**"). The Corporation is a 'reporting issuer' within the meaning of applicable securities laws in the provinces of British Columbia, Alberta and Ontario.

International Bethlehem is a publically listed corporation (TSXV: IBC) incorporated under the laws of the Province of British Columbia with its head office in Vancouver, British Columbia. International Bethlehem is a junior mining exploration and development corporation and is a reporting issuer in the Provinces of British Columbia and Alberta. Mr. Mason L. Douglas is a director of both the Corporation and International Bethlehem, and therefore the Qualifying Transaction will be considered to be a 'Non-Arm's Length Qualifying Transaction' as such term is defined under the policies of the Exchange, and the Qualifying Transaction will in all likelihood be subject to disinterested shareholder approval. There is no controlling shareholder of International Bethlehem as such term is defined under the policies of the Exchange.

It is expected that upon completion of the Qualifying Transaction, the Corporation will be classified as a Tire 2 Mining Issuer under the policies of the Exchange.

The Option Agreement and Description of the Properties

International Bethlehem holds a 100% undivided interest in 19 crown granted mineral claims known as the 'LH Property' located in the Kootenay Land District, Slocan Mining Division, British Columbia. The LH Property is subject to a 1% net smelter return royalty in favour of Andalex Industries Inc. ("**Andalex**") (which royalty reduces to a 0.5% net smelter return once royalties of \$350,000 have been paid to Andalex) and such royalty can be purchased from Andalex for \$1.2 million at any time up until December 31, 2015.

International Bethlehem holds a 100% undivided interest in 4 mineral claims known as the 'Willa Property' located in the Slocan Mining Division, British Columbia. The Willa Property is subject to a 1% net smelter return royalty (together with the 1% LH Property net smelter return royalty, the "**NSR Royalty**") in favour of Michael Hudock, Peter Leontowicz and William Wingert (the "**Vendors**") (which royalty reduces to a 0.5% net smelter return once royalties of \$500,000 have been paid to the Vendors) and such royalty can be purchased from the Vendors for \$3 million at any time up until July 15, 2015.

Under the terms of the Option Agreement, International Bethlehem has agreed to grant Magnum an option to acquire a 51% interest in the LH Property and the Willa Property (collectively referred to as the "**Properties**"). In connection with the granting of the Option to Magnum, and as a condition to Magnum performing its obligations under the Option Agreement, International Bethlehem has agreed to incur between \$100,000 to

\$150,000 in expenditures relating to exploration activities directed towards ascertaining the existence, location, quality, quantity or commercial value of deposits of ores, minerals and mineral resources on the Properties, all exploration activities related towards development and exploitation of the Properties, and any applicable mining duties, taxes, or assessments in respect of the Properties and all other costs and expenses to keep the Properties and all rights related thereto in good standing (collectively referred to as the “**Expenditures**”).

In order to maintain the Option in good standing and earn an undivided 51% legal and beneficial interest in and to the Properties (subject to the NSR Royalty and certain reservations in favour of the crown in right of the Province of the British Columbia), Magnum is required to make the following payments and share issuance to International Bethlehem:

1. A \$100,000 payment to International Bethlehem within 5 business days from the date on which the Exchange grants its acceptance to the Option Agreement (the “**Effective Date**”);
2. Incurring Expenditures totalling \$500,000 as follows:
 - (a) \$250,000 by the first anniversary of the Effective Date; and
 - (b) an additional \$250,000 by the second anniversary of the Effective Date;
3. Issuing to International Bethlehem 3,000,000 common shares in the capital of Magnum (the “**Shares**”) as follows:
 - (a) 1,000,000 Shares by the first anniversary of the Effective Date at then market trading price of the Shares;
 - (b) an additional 1,000,000 Shares by the second anniversary of the Effective Date at then market trading price of the Shares; and
 - (c) an additional 1,000,000 Shares upon the Properties receiving a bankable feasibility report at then market trading price of the Shares, subject to a limitation period of ten (10) years.

Magnum will not be entitled to any refund of any payment and Expenditures if it fails or elects not to exercise the Option in full and will not earn an interest in the Properties unless the Option is exercised in its entirety. Magnum is entitled to exercise the Option commencing the Effective Date and ending one day after the day on which the last Expenditure or payment in relation to the Acquisition is required to be made.

Once Magnum has exercised the Option, a joint venture will be deemed to have been formed between Magnum and International Bethlehem, the terms of which will be negotiated in good faith and finalized upon the full exercise of the Option.

In accordance with the disclosure requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, the Corporation has commissioned the preparation of a technical report in respect of the Properties, which is anticipated to be available once International Bethlehem has completed its currently planned work program as referred to above.

Insiders and Board of Directors of the Resulting Issuer

Upon completion of the Qualifying Transaction, it is anticipated that Cyrus H. Driver, the Corporation’s current Chief Financial Officer and a director, and David H. Evans, a director of the Corporation, will resign and the Corporation’s management will consist of the following individuals:

Douglas L. Mason –Chairman and Chief Executive Officer

Mr. Mason, age 65, is currently and has been, since February of 2006, the President, Chief Executive Officer and a director of Waterfront Capital Corporation, a publicly traded merchant bank and financial services company. Between June 1986 and October 2005, Mr. Mason served as the President, Chief Executive Officer and Chairman of Clearly Canadian Beverage Co. (“**Clearly Canadian**”), an international beverage company, previously listed on the NASDAQ Stock Market, Inc. and Toronto Stock Exchange until it was delisted in 2001 and 2005 respectively. Mr. Mason currently serves as Chairman and/or CEO of International Bethlehem Mining Corp., Columbia Yukon Explorations Inc., White Tiger Mining Corp, Rainy Mountain Royalty Corp. and Black Panther Mining Corp., all Exchange listed companies, and is the President and director of Criterion Capital Corporation, a private investment and financial consulting company. Mr. Mason has been a founder, senior officer and director of numerous industrial, consumer product and junior mining exploration companies. Mr. Mason is a financier and entrepreneur with extensive experience in financings, structure and acquisitions in capital markets. Mr. Mason is the Chairman of the B.C. Sports Hall of Fame and Museum Foundation.

Ronald A. Coombes – President and Director

Mr. Coombes, age 53, is an experienced entrepreneur and fundraiser and has been involved in mineral exploration and junior exploration company management for the past 15 years. He founded Orphan Boy Resources Inc. in 1995, which has subsequently undergone a name change to International Bethlehem Mining Corp. Mr. Coombes is currently the President and Director of five Exchange listed companies engaged in mineral exploration in Canada, including Columbia Yukon Explorations Inc., International Bethlehem Mining Corp., Black Panther Mining Corp., White Tiger Mining Corp. and Rainy Mountain Royalty Corp.

Sead Hamzagic – Chief Financial Officer and Director

Mr. Hamzagic, age 49, is a member in good standing with the Certified General Accountants Association of British Columbia and has had over 24 years of public accounting practice and financial management experience. Mr. Hamzagic has held a number of senior management positions in a variety of businesses and industries. Mr. Hamzagic is currently the Chief Financial Officer and a director of International Bethlehem Mining Corp., Columbia Yukon Explorations Inc., Black Panther Mining Corp., White Tiger Mining Corp., Waterfront Capital Corp. and Rainy Mountain Royalty Corp. and was previously the Vice President of Finance for a large group of privately held companies that were involved in property development and management. In these various positions, Mr. Hamzagic has actively supervised people engaged in preparing, auditing, analyzing or evaluating financial statements.

Daniel B. Evans - Director

Mr. Evans, age 58, has over twenty years of private and public company management experience, serving as an officer and director of numerous private and publicly listed corporations. He is an established entrepreneur involved in real estate development and oilfield equipment fabrication. Through founding, investing and managing, Mr. Evans has gained extensive industry knowledge and experience in matters relating to venture capital markets, corporate finance, corporate structure and managing strategic investments in venture capital markets. Mr. Evans is currently the President, Secretary and a director of Kennedy Hill Financial Group Inc., a private Canadian financial services and venture capital firm, and has been in such positions since 1988. He is also a director of Sureway Oilfield Industries Inc., a private company involved in the manufacturing of specialized drilling rig and oil service components and mining industry components, and has served as President, Chief Executive Officer and Chief Financial Officer of Cobra Venture Corporation, an Exchange listed oil and natural gas exploration and production company, and formerly a CPC, since 1998.

Bruce E. Morley – Director

Mr. Morley, age 60, has been a practicing lawyer and a member in good standing with the Law Society of British Columbia since 1981. Mr. Morley was a lawyer/partner with a Vancouver law firm from 1981 to 1994.

Mr. Morley also has a Bachelor of Commerce degree and is currently a director of six Exchange listed companies and has held a variety of senior positions with various public companies since 1994.

Michael J. Perkins Q.C. - Corporate Secretary

Mr. Perkins, age 57, is currently and has been a partner with Borden Ladner Gervais LLP, Barristers and Solicitors since July 2002. Between May 1991 and July 2002 he was a partner with Armstrong Perkins Hudson LLP Barristers and Solicitors (formally Ogilvie and Company), and prior thereto, he was a partner with Burstall Ward, Barristers and Solicitors, since April 1, 1988, and prior thereto, a partner with McCombe, Mainwaring, Perkins, Barristers and Solicitors, since February 1, 1985. Mr. Perkins practices law in the area of securities, natural resources, and corporate and commercial law. In addition, he has acted as corporate secretary and/or director of over 20 public corporations listed on The Alberta Stock Exchange, Canadian Venture Exchange Inc., (now the Exchange), the TSX Venture Exchange Inc. and/or the Toronto Stock Exchange, engaged in the petroleum and natural gas, mining, industrial, technology and venture capital industries. Mr. Perkins is currently the corporate secretary of several other companies listed on the Exchange, including Cobra Venture Corporation and Kestrel Gold Inc., which were each formerly a CPC, and DOT Resources Ltd. He is also a director of Taia Lion Resources Ltd., a private mining corporation. Mr. Perkins obtained his Bachelor of Arts in 1976 from the University of Calgary, and Bachelor of Laws in 1980 from the University of Alberta. He was admitted to practice law in the Province of Alberta in 1981.

Financing

In connection with the completion of the Qualifying Transaction, it is anticipated that the Corporation will complete a largely arm's length non-brokered private placement (the "**Private Placement**") of a minimum of 3,000,000 units of the Corporation ("**Units**") at a price of \$0.20 per Unit for gross proceeds of up to \$600,000. Each Unit will be comprised of one flow-through common share (a "**Flow-Through Share**") and one common share (a "**Common Share**") in the share capital of the Corporation. The Private Placement will remain subject to the approval of the Exchange.

The Corporation intends to use the proceeds of the Private Placement to fund the costs associated with completing the Qualifying Transaction and the general working capital expenses of the Corporation.

Sponsorship of the Qualifying Transaction

Sponsorship of a Qualifying Transaction of a capital pool company is required by the Exchange unless an exemption from this requirement can be obtained in accordance with the policies of the Exchange. The Corporation has not yet retained a sponsor in connection with the Qualifying Transaction, and there is no assurance that an exemption from this requirement will be obtained.

Description of Significant Conditions to Closing

Completion of the Qualifying Transaction is subject to a number of conditions, including, but not limited to, Exchange acceptance and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed Qualifying Transaction and has neither approved nor disapproved the contents of this press release.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

It is anticipated that trading in Shares of the Corporation will be halted pending filing and review of applicable documents with the Exchange.

Additional Information

In accordance with the policies of the Exchange, Magnum will issue a subsequent press release containing information relating to sponsorship, information with respect to financing, summary financial information and further technical information in respect of the Properties, and to the extent not contained in this press release, additional information with respect to International Bethlehem.

For further information, please contact:

Magnum Capital Corp.

Daniel B. Evans

President, Chief Executive Officer and

Director

(604) 922-2030

Cautionary Statements

This news release contains certain statements that may be deemed “forward-looking statements” within the meaning of applicable securities laws relating to the proposed Qualifying Transaction and related financing. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Although the Corporation believes that the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guaranteed of future performance and actual results and developments may differ materially from those that currently are contemplated, and that the Qualifying Transaction may not be successfully completed for any reason (including the failure to obtain the required approvals from regulatory authorities or shareholders of the Corporation or to exercise the Option as is contemplated in the Option Agreement). The statements in this news release are made as of the date of this release. The Corporation undertakes no obligation to update these forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise, except as otherwise required by law.

This news release does not constitute and the subject matter hereof is not an offer to sell or a solicitation of an offer to sell in the United States or to any “U.S. Person” (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”)) of any equity or other securities of the Corporation. The securities of the Corporation have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold in the United States or to a U.S. Person unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.