

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Delon Resources Corp.
1980 - 1075 West Georgia Street
Vancouver, BC V6E 3C9

Item 2. Date of Material Change

January 2, 2013.

Item 3. News Release

News Release dated January 3, 2013 was filed on SEDAR and disseminated via TheNewswire.ca on January 4, 2013.

Item 4. Summary of Material Change

Delon Resources Corp. (“**Delon**” or the “**Company**”) has entered into an arrangement agreement dated January 2, 2013 with Gener8 Digital Media Corp. (“**Gener8**”) for the acquisition of 100% of the issued and outstanding common shares of Gener8 by way of a statutory plan of arrangement.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

Further to the Company’s press releases dated October 19, 2012 and November 8, 2012, the Company and Gener8 have entered into an arrangement agreement dated January 2, 2013 (the “**Arrangement Agreement**”) whereby Delon has agreed to acquire 100% of the issued and outstanding common shares of Gener8 by way of a statutory plan of arrangement (the “**Transaction**”) which will constitute a “fundamental change” for the Company under the policies of the Canadian National Stock Exchange (the “**CNSX**”).

The Arrangement

Pursuant to the Arrangement Agreement, upon completion of the Transaction (the “**Effective Time**”), all of the common shares in the capital of Gener8 (the “**Gener8 Common Shares**”) will be cancelled (other than such shares held by shareholders of Gener8 who validly exercise their dissent rights) and in consideration each holder of Gener8 Common Shares will receive that number of common shares in the capital of Delon (“**Delon Common Shares**”) determined by multiplying: (i) the number of Gener8 Common Shares held by such Gener8

shareholder by, (ii) the quotient obtained by dividing (a) 29,500,000 by (b) the total number of Gener8 Common Shares issued and outstanding at the Effective Time (the “**Share Exchange Ratio**”).

Each warrant of Gener8 (“**Gener8 Warrants**”) outstanding at the Effective Time, whether or not vested, will be exchanged for a warrant of Delon (a “**Converted Delon Warrant**”) to acquire that number of Delon Common Shares determined by multiplying the number of Gener8 Common Shares subject to such Gener8 Warrant by the Share Exchange Ratio. The exercise price per Delon Common Share subject to any such Converted Delon Warrant will be the amount equal to the quotient obtained by dividing the exercise price per Gener8 Common Share subject to such Gener8 Warrant by the Share Exchange Ratio.

In addition, Broker warrants of Gener8 outstanding at the Effective Time (the “**Gener8 Broker Warrants**”), whether or not vested, will be exchanged for a warrant of Delon (a “**Converted Delon Broker Warrant**”) to acquire that number of Delon Common Shares equal to the number of Gener8 Common Shares subject to such Gener8 Broker Warrant at the Effective Time. The exercise price per Delon Common Share subject to any such Converted Delon Broker Warrant will be equal to \$0.70 per Delon Common Share.

Furthermore, each option of Gener8 outstanding at the Effective Time (the “**Gener8 Options**”), whether or not vested, will be exchanged for an option of Delon (a “**Converted Delon Option**”) to acquire that number of Delon Common Shares determined by multiplying the number of Gener8 Common Shares subject to such Gener8 Option by the Share Exchange Ratio. The exercise price per Delon Common Share subject to any such Converted Delon Option will be the amount equal to the closing price of the Delon Common Shares on the CNSX on the second business day after the closing of the Transaction (subject to adjustment in certain circumstances).

Concurrent with the closing of the Transaction, the Company will consolidate its common shares on the basis of 1 new Delon Common Share for each 2 pre-existing Delon Common Shares.

In connection with the Transaction, subject to CNSX approval, Delon will issue 500,000 Delon Common Shares as a finder’s fee to Mauris Financial Corp., an arm’s length party to the Company.

Concurrent Financing

In connection with the Transaction, Delon intends to complete a concurrent financing (the “**Concurrent Financing**”) by way of a non-brokered private placement of subscription receipts (each a “**Subscription Receipt**”) at a price of \$0.60 per Subscription Receipt for minimum gross proceeds of \$3,500,000. Each Subscription Receipt will be deemed to be exchanged upon certain release conditions being met, without payment of any additional consideration, for one unit of the Company (the “**Units**”). Each Unit will be comprised of one Delon Common Share and one half of one common share purchase warrant (each a “**Warrant**”). Each whole Warrant will entitle the holder to purchase one additional Delon Common Share at a price of \$0.80 for a period of three years from the closing of the Concurrent Financing. The

Warrants are subject to an accelerated expiry whereby if the volume weighted average trading price of Delon Common Shares exceeds \$1.00 for a period of 20 consecutive trading days, Delon may provide notice to the Warrantholders of early expiry and the Warrants will expire on the date which is 30 days after the date of such notice. The Company currently intends to make an application to list the Warrants for trading on the CNSX. The acceleration clause will terminate upon the listing of the Warrants. The listing is conditional upon receipt of all applicable regulatory approvals, including approval of the CNSX. There can be no assurance that such listing will be completed.

In connection with the Concurrent Financing, the Company intends to pay finder's fees in cash, securities or a combination of both, up to the maximum amount permitted by the policies of the CNSX.

The completion of the Transaction is subject to a number of additional conditions, including, but not limited to, approval of the Transaction by the board of directors and securityholders of each of the Company and Gener8, receipt of an order of the Supreme Court of British Columbia, if applicable, the receipt of a fairness opinion, completion of the share consolidation, and the approval of the CNSX. In addition, if the Concurrent Financing is not completed by January 31, 2013, Gener8 may terminate the Arrangement Agreement. There can be no assurance that the Transaction will be completed as proposed, or at all and trading in the Company's securities should be considered highly speculative.

Gener8 is a private B.C. based media technology company with two business divisions, Gener8 Studio and Cumul8™ Technology. In less than two years, Gener8's studio division has become an industry leader in 3D stereo conversion services for the entertainment industry, working on high profile films such as The Amazing Spider-Man and Harry Potter and the Deathly Hollows Part 2. The Gener8 studio division uses its proprietary G83D™ technology process to convert traditionally-produced media into an immersive 3D stereoscopic experience for 3D production.

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

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Herrick Lau
Chief Executive Officer and Director
Telephone: 604-688-9588

Item 9. Date of Report

DATED at Vancouver, British Columbia, this 4th day of January, 2013.