

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1: Name and Address of Reporting Issuer

Crestwell Resources Inc. (the "Company")
Suite 804 – 750 West Pender Street
Vancouver BC V6C 2T7

Item 2: Date of Material Change

August 27, 2012

Item 3: News Release

A news release was issued and disseminated on August 27, 2012 through TheNewsWire and filed on SEDAR (www.sedar.com).

Item 4: Summary of Material Changes

The Company has provided an exploration update on its Eagle Lake Property located in the Buchan Bay Area, approximately 27 kilometres south west of the city of Dryden in northwestern Ontario.

Item 5: Full Description of Material Change

Please see the news release attached as Schedule "A" hereto, for a full description of the material change.

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

Not applicable.

Item 7: Omitted Information

None.

Item 8: Executive Officer

For further information, please contact:

Nelson Baker, President and CEO at (604) 682-2928

Item 9: Date of Report

August 27, 2012

Schedule "A"

CRESTWELL RESOURCES INC.

NEWS RELEASE

CRESTWELL ANNOUNCES PROSPECTING ON EAGLE LAKE GOLD PROPERTY RETURNS GRAB SAMPLES AS HIGH AS 85.1 G/T AU AND 67.4 G/T AU

August 27, 2012 – VANCOUVER, Canada – Crestwell Resources Inc. (the "Company") (CNSX:CER) is pleased to provide an exploration update on its Eagle Lake Property located in the Buchan Bay Area, approximately 27 kilometres south west of the city of Dryden in northwestern Ontario (see news release dated May 8, 2012).

Since purchasing the Eagle Lake Property (11 claims for 150 units) from Quetico Resources Limited in February, 2012, the Company has completed a closely-spaced Tri-Axial magnetic airborne survey with Fugro Airborne Services and, to establish ground control for exploration, completed 15.8km of gridding (east-striking baseline, north-striking cross-lines spaced 100m apart) over the main historical areas of interest in the far western extent (Fornieri Bay) of the property. Geological mapping and prospecting, along with clearing, re-sampling and re-evaluation of historic trenches and pits was undertaken. Historic diamond drill core on site has recently been recovered and may be re-sampled and re-logged where possible.

The Eagle Lake property lies within the Wabigoon Sub province of the Superior Province. The property itself is underlain mainly by ENE-striking felsic, intermediate and mafic volcanics of the Wabigoon assemblage. The Fornieri Bay showings are situated within intermediate to felsic pyroclastics, consisting of crystal, ash and minor lapilli tuffaceous units mineralized with up to 5% pyrite and minor amounts of chalcopyrite and pyrrhotite. Host rocks are intensely sheared, sericitized and carbonatized. Quartz veins are lenticular and discontinuous, occupying tension fractures contain chlorite, iron carbonate and minor sulphides. Gold values reported from historic surface and borehole testing were generally in the 2 to 5 g/t Au range, with occasional elevated spikes. Elevated gold values were reported to be variable along strike and dip and appeared to vary mainly with sulphide content rather than the presence of veining.

In June and July, 2012, separate phases of prospecting, rock sampling and mapping have been carried out by **Bjorkman Prospecting** of Atikokan, Ontario. The work focused mainly on two specific areas of the property: historical trenches referred to as the "Main Zone" or Trench No.1 located along the eastern shoreline of Fornieri Bay and the "Red Pine/Cedar Trench" area, due south of the bay. All 394 rock samples were shipped from Dryden to the ALS Chemex Laboratory in Thunder Bay, Ontario. The ALS Chemex quality system complies with the requirements of the international standards ISO9001:2000 and ISO17025:2005.

Quality Assurance Program

The Crestwell Resources' Quality Assurance Program included the systematic addition of blank samples and Standard Reference Materials (SRM's) every 20th rock sample. Blank samples are used to check for possible contamination in the laboratory while certified standards determine the analytical accuracy and precision of the laboratory's methodology. Gold assaying was undertaken by conventional fire-assay methods (using a 30g sample) followed by Atomic Absorption Spectrophotometry (Method Au-AA23) according to industry standards. Trace-level, multi-element ICP-AES analysis (Method ME-MS61) using multi-acid digestions is analysed for 38 other elements.

Results of prospecting program

All assays are at hand. At the most extensively trenched zone (Trench No.1), gold-bearing, fracture-hosted, quartz veins occur within a wide quartz porphyry dike intruding felsic crystal tuffs. In 1936, Erie Canadian Mines (Sylvanite Gold Mines) reported a channel assay of 6.0g/t gold over 3.65m in a 3m-wide quartz porphyry. Current Crestwell Resources grab samples from Trench No.1 returned gold values as high as **85.1g/t Au (SN 950023) and 67.4g/t Au (SN950388)** along with several multi-gram gold assays. The highest gold assays were typically associated with elevated copper, silver and bismuth values.

Very large, east-trending trenches and numerous test pits are situated 240m south of Fornieri Bay in the Red Pine/Cedar trench area. Exposure is very poor but it appears that the workings were sunk on fracture-hosted quartz veins and stringers in silicified, sericitized, felsic pyroclastics. The quartz veins contain pyrrhotite, chalcopyrite, marcasite and sphalerite, and are also hosted by a narrow, felsic, quartz porphyry dike. Birch Bay Gold Mines Limited obtained a drill hole intersection of 1.46 ounces gold per ton across 5 feet in "rhyolite intruded by tiny quartz stringers at this location (Assessment Files, Resident Geologist's office, Kenora). Re-sampling of the old trenches and grab sampling from outcrops in the area by Crestwell Resources has returned consistent sub-gram to gram-level gold values throughout the area. Most samples collected typically returned >100ppb gold. Rock sampling is continuing on the property.

Since gold mineralization in the Fornieri Bay area has to date not been tested using modern exploration techniques and has only been tested to shallow depths by drilling, testing along strike and at depth will be a main focus for follow-up exploration on the property. A small program of diamond drilling in the Fall, consisting of three to four holes (850m) has been proposed to confirm significant results by previous operators and to test at greater depth significant gold intersection from historic drilling.

Preliminary meetings were recently held in Dryden between Mr. Nelson Baker, President of Crestwell Resources and Chief Arnold Gardner and councillors of the Eagle Lake First Nation and Chief Rubin Carter of the Wabigoon First Nation. Discussions with the traditional land owners in the Eagle Lake area will be held on a regular basis going forward.

The Eagle Lake gold project is managed and supervised by C.J. Baker, M.Sc., an exploration geologist with over 40 years of mineral exploration experience in the industry. Nelson Baker, P.Geo., has verified the contents of this press release and is the Qualified Person for this project.

On Behalf of the Board of Directors
CRESTWELL RESOURCES INC.

"*Nelson W. Baker*", President and CEO
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For further information, please contact

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Or visit our website www.crestwellresources.com

THE CANADIAN NATIONAL STOCK EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE CONTENT OF THIS NEWS RELEASE.

This release includes certain statements that may be deemed to be "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "could" or "should" occur. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Factors that cause the actual results to differ materially from those in forward-looking statements include gold prices, results of exploration and development activities, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, continued availability of capital and financing and general economic, market or business conditions. The Company cautions the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct. Please see the public filings of the Company at www.sedar.com for further information