

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

Dacha Strategic Metals Inc.
65 Queen Street West
Suite 815
Toronto, Ontario
M5H 2M5

Item 2 Date of Material Changes

November 12, 2012

Item 3 News Releases

A news release was issued by Dacha Strategic Metals Inc. (“Dacha” or the “Company”) on November 12, 2012 and was subsequently filed on SEDAR.

Item 4 Summary of Material Changes

Dacha agreed to a reconstitution of its slate of nominees for election to its board of directors. The reconstitution of management’s slate of director nominees was the result of discussions between Dacha and Goodwood Inc., one of Dacha’s major shareholders, aimed at resolving the proxy contest that has been ongoing between Dacha and Goodwood regarding Dacha’s annual and special meeting of shareholders to be held on November 28, 2012 (the “Meeting”).

Item 5 Full Description of Material Changes

On November 12, 2012, Dacha agreed to a reconstitution of its slate of nominees for election to its board of directors. The reconstitution of management’s slate of director nominees was the result of discussions between Dacha and Goodwood Inc., one of Dacha’s major shareholders, aimed at resolving the proxy contest that has been ongoing between Dacha and Goodwood regarding the Meeting.

As a result of these discussions, Dacha will be proposing the following individuals for election as directors at the Meeting: Jorge Bernhard, Tye W. Burt, Ian W. Delaney, G. Scott Moore, Alastair Neill, Peter H. Puccetti and Timothy E. Thorsteinson. It is expected that these seven individuals will be elected as Dacha’s directors at the Meeting such that the board reconstitution will occur effective November 28, 2012.

All other nominees of both Dacha’s management and Goodwood will no longer stand for election at the Meeting. In accordance with the discretionary authority provided by shareholders who have previously delivered proxies in respect of the Meeting, those proxies, unless revoked, will be voted at the Meeting in favour of the election of these seven nominees.

As part of the board reconstitution, Stan Bharti will no longer be serving as a director or officer of Dacha and G. Scott Moore will no longer be serving as Dacha's President and Chief Executive Officer. The six executives and consultants of Dacha who had change of control termination arrangements with Dacha have agreed, as part of the board reconstitution, to reduce the amounts payable to them such that an aggregate of \$4.85 million will be paid by Dacha to those six executives and consultants in connection with the termination of their prior arrangements, which amounts will be secured over assets of Dacha until full payment thereof. Dacha and Forbes & Manhattan, Inc. have also agreed that Forbes & Manhattan, Inc. will provide certain consulting services to the board of directors of Dacha for six months for no consideration. As part of implementing the board transition, releases will be provided among the parties related to matters occurring up to the date of the board transition. As well, the Court application previously announced by Dacha against Goodwood and others in the Ontario

Superior Court of Justice will be dismissed.

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

Scott Moore
President & Chief Executive Officer
(416) 861-5903
smoore@forbesmanhattan.com

Item 9 Date of Report

November 14, 2012

Except for statements of historical fact relating to the Company, certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Company's ability to trade in rare earth elements, the realization value of Dacha's physical inventory portfolio, proposed investment strategy of the Company, and general investment and market trends. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Dacha to be materially different from those expressed or implied by such forward-looking information. Although management of Dacha has attempted to identify important factors that could cause actual

results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Dacha does not undertake to update any forward-looking information, except in accordance with applicable securities laws.