

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Cerro Grande Mining Corporation (the "Company")
Royal Bank Plaza, South Tower
200 Bay Street
Suite 3800
Toronto, Ontario M5J 2Z4

2. **Date of Material Change**

July 28, 2014.

3. **News Release**

The news release attached hereto as Schedule "A" announcing the material change described herein were released through Canada News Wire Group at Toronto, Ontario on July 28, 2014.

4. **Summary of Material Change**

The material changes are described in the Company's news release attached hereto as Schedule "A", which news release are incorporated herein.

5. **Full Description of Material Change**

5.1 Full Description of Material Change

No information other than that provided in Item 4 above is presently available.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

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

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Stephen W. Houghton
Chief Executive Officer
56-22-569-6244

9. **Date of Report**

August 26, 2014.

News Release

CERRO GRANDE MINING CORPORATION

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FOR IMMEDIATE RELEASE – July 28, 2014

Cerro Grande Mining Corporation Announces it is Pursuing a Listing on the TSX Venture Exchange

Toronto, Ontario, Canada – Cerro Grande Mining Corporation (the “Company” or “CEG”) (TSX:CEG) (OTCQX:CEGMF), the Company has been advised by the Toronto Stock Exchange (“TSX”) that the Continued Listing Committee of the TSX has determined to delist the Company on August 25, 2014 primarily under Section 710 (a) (i) Financial Condition.

In the meantime, as stated in the Company’s News Release dated June 12, 2014, the Company’s Pimenton mine has been in full operation and production.

Cerro Grande Mining Corporation is a minerals producing, exploration and development company with properties and activities currently focused in Chile.

Cautionary Statement on Forward-looking Information

Forward-Looking Information

This press release may contain forward-looking statements based on assumptions, uncertainties and management's best estimates of future events. All statements that address future activities, events or developments that the Company believes, expects or anticipates will or may occur are forward-looking information. Forward-looking information is based upon assumptions by management that are subject to known and unknown risks and uncertainties and other factors that may cause actual results to differ materially from those expressed or implied by the forward looking information. Factors that may cause actual results to vary materially include, but are not limited to eligibility to list the securities of the Company on the TSX Venture Exchange and changes in general economic conditions or conditions in the financial markets. Such forward-looking information is based on a number of assumptions, including but not limited to, there being no significant decline in existing general business and economic conditions. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligations to update publicly or otherwise revise any forward-looking information, except as may be required by law. For a more detailed discussion of such risks and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, refer to the Company's filings with the Canadian securities regulators available on www.sedar.com.

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