

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company:

GLOBAL RAILWAY INDUSTRIES LTD.
Suite 416 - 375 Water Street
Vancouver, British Columbia
V6B 5C6

2. Date of Material Change:

The material changes described in this report occurred on December 14 and 19, 2012.

3. News Release:

On December 14 and 19, 2012 Global Railway Industries Ltd. (the "Corporation") issued news releases through the facilities of recognized newswire services.

4. Summary of Material Change:

The Corporation announced the resignations of Thomas Dea, Laurence Bennett, Jacques Coté and Alan Sellery from the board of directors of the Corporation, effective December 14, 2012, and the corresponding appointments of Tom Kusumoto, Andrew Mah, Kenneth MacLeod and Michael Kuiack to fill the vacancies created by the resignations until the next annual meeting of the Corporation's shareholders or until their successors are elected or appointed.

The Corporation announced the resignation of Levy Fausto as acting President and Chief Executive Officer and Ross Corcoran as Vice-President and Chief Financial Officer and the corresponding appointments of Tom Kusumoto as President and Chief Executive Officer and Christine McPhie as Chief Financial Officer, all effective December 19, 2012.

5. Full Description of Material Change:

See attached news releases appended to this report.

6. Reliance on Confidential Filing Provisions:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The following executive officer of the Corporation is knowledgeable about the material change and this report and may be contacted by any of the securities commissions respecting the material change and this report:

Tom Kusumoto
Chief Executive Officer
Telephone: (604) 689-7565

9. Date of Report:

December 21, 2012