**MATERIAL CHANGE REPORT**
Form 51-102F3
Section 7.1 of National Instrument 51-102

**Item 1 Name and Address of Company**

Rockex Mining Corporation
580 New Vickers Street
Thunder Bay, Ontario P7G 1J3

**Item 2 Date of Material Change**

August 23, 2013

**Item 3 News Release**

A new release was issued via Marketwire on Tuesday, 27 August 2013.

**Item 4 Summary of Material Change**

Rockex Mining Corporation (TSX: **RXM**) ("**Rockex**" or the "**Corporation**") announced that it received results of a Preliminary Economic Assessment ("PEA") prepared by Met-Chem Canada Inc. ("Met-Chem") for the Corporation's 100% owned Eagle Island Project ( "Eagle Island") in northwestern Ontario.

**Item 5 Full Description of Material Change**

Rockex announced that it received results of a Preliminary Economic Assessment ("PEA") prepared by Met-Chem Canada Inc. ("Met-Chem") for the Corporation's 100% owned Eagle Island Project ( "Eagle Island") in northwestern Ontario. The National Instrument 43-101 compliant report (the "Report") summarizing the results of the PEA will be filed on SEDAR and Rockex's website within 45 days of this news release.

**Highlights of the PEA Include:**

- **$ 3.9 Billion Net Present Value with a 5% discount rate**
- **$2.2 Billion Net Present Value with an 8% discount rate**
- 20.7% Internal Rate of Return (pre-tax)
- 4.2 year pay back
- Initial Investment of $1.559 billion (not including sustaining capital)
- Average site operating cost of $36.63/tonne of iron concentrate
- Updated Resource Estimate doubles Eagle Island's Indicated Mineral Resource to 1.287 billion tonnes at 28.39% iron plus an Inferred Mineral Resource of 108 million tonnes at 31.03% iron.
- Life of Mine Production of 6 million tonnes of 66.3% iron concentrate per year for 30 years.
- Low strip ratio of 0.51 to 1

**Summary**

The PEA is based on the production of 6 million tonnes of iron concentrate per year at a grade of 66.3% total iron ("Fe"). The average run of mine feed of 17.3 million tonnes per year used is based on mill recovery of 80% operating year-round from the Eagle Island deposit. The life of mine of 30 years was based on 512 million tonnes of in-pit resources at a grade of 28.9% Fe, less than half of Eagle Island's estimated Indicated Resources of 1,287 million tonnes at a grade of 28.39% Fe. Initial capital expenditures are estimated at $1.559 billion for the production of 6 million tonnes per year of iron concentrate. Using an average site operating cost of $36.63 per tonne, and assuming the iron concentrate sales price at $105USD FOB Sioux Lookout, calculated Net Present Value for the Eagle Island project is $3.9 billion (pre-

tax) using a 5% discount rate and $2.2 billion (pre-tax) using an 8% discount rate.

In addition to the PEA, Rockex completed an updated independent mineral resource estimate by Met-Chem which has defined 1,287 million tonnes of Indicated Resources at a grade of 28.39% Fe and 108 million tonnes of Inferred Resources at a grade of 31.03% Fe. The updated resource is summarized in the Table below.

| Mineral Resource Category | Metric Tonnes (Million) | Fe (%) |
|---|---|---|
| Indicated | 1,287 | 28.39 |
| Inferred | 108 | 31.03 |

**HBI Potential**

A trade-off study was conducted in the early phases of the PEA based on the preliminary information available at that time. The study investigated the feasibility of producing three different products: fines, pellets and hot briquetted iron ("HBI"). The study showed that further analysis is warranted for pellets and HBI, which Rockex will pursue throughout the course of its preparation of a Feasibility Study. Presently, the PEA is based solely on the production of a fines iron concentrate. However, more detailed study of the transformation of iron ore concentrate to HBI to supply the North American electric arc furnace industry and grey foundry industry is being commissioned. HBI is considered to be a cleaner, higher quality, finished iron product for the steel industry and is a perfect substitute for scrap steel. The HBI process requires access to an abundant and low cost source of natural gas. Considering Rockex's proximity to the TransCanada Natural Gas Pipeline, Rockex feels it is well positioned to produce HBI and leverage its proximity to transportation infrastructure to supply the North American market in the United States immediately south of the Great Lakes and in Canada.

**Mining**

Met-Chem evaluated the potential for an open pit mine at Eagle Island to produce 6 million tonnes of iron concentrate per year at a grade of 66.3% Fe. The mining method selected for the Project is a conventional open pit 'drill and blast' operation with rigid frame haul trucks (218 tonne payload) and hydraulic shovels. The pit design and mine plan were limited to a 30-year mine life, although the pit optimization showed that there are sufficient resources for a longer period. The designed pit includes 512 million tonnes of mineral resources with an average grade of 28.9% Fe and has a stripping ratio of 0.51:1. The pit will be developed in three phases in order to defer the construction of dykes and lake dewatering until after the commencement of mining operations. A causeway to access the pit will be constructed between Eagle Island and the south shore of Lake St. Joseph. An average run of mine feed of 17.3 million tonnes per year (47,500 tpd) is required, assuming a mill recovery of 80%.

**Metallurgical Testing**

The first objective of the metallurgical test work was to reproduce the test procedures developed by The Algoma Steel Company Ltd ("Algoma") in 1974 in order to achieve similar grades and recoveries from the current test program. The second objective of the test program was to test the composite sample's amenability to gravity and magnetic separation. The test work was undertaken by SGS Mineral Services in Lakefield, Ontario. Desliming test work yielded Fe recovery and grade results similar to those obtained by Algoma. Mineral processing estimates were based on metallurgical test work performed on composite samples from Rockex's Eagle Island Project. Results from the following tests were used as the basis for the PEA:

- SAG Power Index (SPI) test,

- Bond ball mill grindability tests,
- Gravity separation tests,
- Low intensity magnetic separation (LIMS) tests and
- Desliming tests.

**Concentrating**

The concentrator will be located adjacent to the Eagle Island causeway. Mined mineralized material will be crushed using a gyratory crusher before being conveyed to the processing plant. The process consists of the following:

- SAG Mill and ball mill grinding circuit produces a $P_{80}$ product of 88 microns,
- Gravity Separation (rougher and cleaner spiral separators),
- Tertiary grinding using ball mills operating in a closed loop with cyclones ($P_{80}$ product of 27 microns),
- Low intensity magnetic separators (rougher/cleaner/finisher magnetic separators) and
- Desliming thickeners.

Concentrate will be thickened to 65% solids prior to pumping to the dewatering/product storage facility located at Sioux Lookout. Tailings are also thickened before being pumped to the tailings pond. Final concentrate will grade 66.3% Fe and 5.23% $SiO_2$.

**Dewatering, Product Storage and Railcar Loading**

The dewatering, product storage and railcar loading facility, located at Sioux Lookout, will receive the concentrate via pipeline. The material will undergo the following steps:-

- Slurry Reception (storage tanks and thickener),
- Filter presses,
- Rotary dryers (for additional drying during winter),
- Stockpile and
- Railcar loading.

Excess water will be sent to a clarifier pond. The stockpile can hold slightly over three days of nominal operation. The stockpile reclaim and railcar loading system is designed to operate at 3,000 tonnes per hour.

**Iron Concentrate Sales Price**

Based on survey of recent studies, the selling price of the iron concentrate was established at $105USD FOB Sioux Lookout for the Eagle Island project. Sioux Lookout is connected by major rail lines to ports on the Great Lakes and the West Coast for shipping the concentrate to North American, European and Chinese markets.

**Operating Cost Summary**

The PEA operating costs were estimated based on economic assumptions shown below and estimates of consumable prices from suppliers. Average life-of-mine operating costs were estimated as:

| Operating Costs | $/tonne concentrate |
|---|---|
| Mine production | 12.76 |
| Concentration and slurry transportation | 18.05 |
| Dewatering and drying | 1.83 |
| G&A and site services | 3.79 |
| Railroad terminal | 0.20 |
| **Total** | **$36.63** |

**Capital Cost Summary**

PEA capital costs were estimated based on an adequate level of engineering for the mine, the process, the infrastructure and all services necessary to support the operation. Supplier quotes were used where available as was Met-Chem's cost database.

| Capital Description | Initial $ Millions |
|---|---|
| Mine | 137 |
| Causeway to Eagle Island | 12 |
| Concentrator | 502 |
| Mine and concentrator area infrastructure | 64 |
| Power at Lake St-Joseph site | 94 |
| Concentrate pipeline to Sioux Lookout site | 140 |
| Dewatering, drying, loading at Sioux-Lookout site | 112 |
| Sioux Lookout site infrastructure | 18 |
| Power at Sioux Lookout site | 9 |
| Natural gas pipeline to Sioux Lookout site | 67 |
| Indirect costs including contingency | 404 |
| **Total Initial Capital** | **$1,559** |

**Other Economic Assumptions**

- Exchange rate: $0.95 USD = $1.00CAD
- Fuel price: $1.00 per litre for diesel, $0.13 per cubic meter for natural gas (drying)
- Electricity rate: $0.07/kWh
- Sustaining capital costs: $609M, including $66M for closure and rehabilitation costs

**Updated Mineral Resource Calculation**

Since the last resource estimate in 2011, Rockex has drilled an additional 6,917.9 m of core in 14 drill holes into the iron deposit located on Eagle Island. The cores from these 14 drill holes plus the cores from five twin holes drilled by Rockex in 2008 were used by Met-Chem to provide the resources estimate, in addition to the previous Algoma’s holes drilled into the Eagle Island deposit These drill programs were highly successful in validating historical drilling results, increasing total tonnage and improving resource classification. The increased tonnage was a result from drilling along the lateral extensions of the deposit and at greater depths than the holes predating the 2011 program.

An updated independent mineral resource estimate by Met-Chem has defined 1,287 million tonnes of Indicated Resources at a grade of 28.39% Fe, and 108 million tonnes of Inferred Resources at a grade of 31.03% Fe. The resources estimate includes the Main Zone and South-east Zone deposits on Eagle Island only, and forms the basis for the PEA.

**Resource Estimation Methodology**

The mineral resource estimate for the Eagle Island Project included a total of 90 drill holes used for blocks interpolation, while some of the historical holes on Eagle Island for which no valid analytical data were available, were used for the geological interpretation. The drill data was used to perform traditional sectional 2D interpretation followed by generation of 3D solids. The geological solids were used to constrain the assays from the holes selected first for compositing and then for resource interpolation. Regular downhole compositing on nominal 3.05m (10 ft) sample lengths was used and variograms were calculated in order to analyze the spatial continuity of the mineralization and to determine suitable parameters for grade interpolation.

Regular 50 m x 50 m x 10 m block sizes were used for the block model. Search ellipses reflecting unique strikes to the portions of the deposit were used to constrain the interpolation. Structural domains were defined in order to account for the deformed nature of the mineralization and the resources were estimated using the inverse distance squared method. Met-Chem created a regression model between the density and the iron content based on 160 density determinations using the pycnometer method.

An Indicated Resource classification was assigned to blocks interpolated by a minimum of 6 composites and maximum search ellipse ranges of 400 m along the major axis, 300 m along the semi-major axis and 20 m along the minor axis. Inferred Resources were defined by search ellipsoids of the same size but with a minimum of 3 composites. The maximum number of composites allowed for each selected hole was set at 3. Mineral resources are reported to a cut-off of 10% Fe calculated using the economic parameters developed for this study, which corresponds to the grade at which a block will generate zero revenue after paying for mining and processing. The initial resources are not constrained within a pit shell. However, the resources were subsequently constrained to a pit shell by the mining engineers to allow pit optimization.

The quantity and grade of reported Inferred Mineral Resources in this estimate, which represents 7.7% of the total resources, are uncertain in nature. There has been insufficient exploration to define the Inferred Mineral Resources as Indicated or Measured Mineral Resources and it is uncertain if further exploration will result in upgrading them to Indicated or Measured Mineral Resource categories.

The PEA includes Inferred Mineral Resources that are considered too speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized.

The mineral resource estimates discussed herein may be affected by subsequent assessments of mining, environmental, processing, permitting, taxation, socio-economic, legal, political and other factors. There is insufficient information available to assess the extent to which the potential development of the mineral resources described herein may be affected by these risk factors.

The mineral resources are reported in accordance with Canadian Securities Administrators ("CSA") NI 43-101 and have been classified in accordance with standards as defined by the "Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") CIM Definition Standards for Mineral Resources and Mineral Reserves." Mineral resources which are not mineral reserves do not have demonstrated economic viability.

**Qualified Persons**

The PEA was prepared under the supervision of Charles Cauchon, Eng. of Met-Chem. Mr. Cauchon is a Qualified Person as defined by NI 43-101.

Met-Chem's Yves A. Buro, Eng., and Schadrac Ibrango, P.Geo., Ph.D., are responsible for validating the geological interpretation and the database and for the mineral resources estimate.

Met-Chem's Ryan Cunningham, Eng., is responsible for supervising the metallurgical test work program and the process design.

Met-Chem's Jeffrey Cassoff, Eng., is responsible for supervising the mining.

Met-Chem's Alain Michaud, Eng., is responsible for supervising the costs estimation.

All the Qualified Persons cited above are independent of Rockex within the meaning of NI 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators, and have reviewed and approved the contents of this news release.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51 -1 02**

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

Inquiries in respect of the material change referred to herein may be made to:

Pierre Gagné, Chairman of the Board
(807) 623-2626 or

Edward Yew, President and Chief Executive Officer of Rockex, at (647) 241-7202 or edward.yew@rockexmining.com

**Item 9 Date of Report**

This report is dated as of the 28th day of August, 2013.