

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

James Bay Resources Limited (“**James Bay**” or the “**Company**”)
20 Victoria Street, Suite 800
Toronto, Ontario
M5C 2N8

Item 2. Date of Material Change

February 6, 2012.

Item 3. News Release

Press release issued by the Company on February 6, 2012 via a Canadian news wire service, a copy of which has been filed via SEDAR.

Item 4. Summary of Material Change

James Bay announced that it has signed a revised agreement with D&H Solutions AS to expand its capabilities for the sourcing and development of Nigerian oil and gas projects.

The Company also announced that it has signed an agreement with an indigenous Nigerian oil and gas service provider, Mak Mera Limited.

Item 5. Full Description of Material Change

James Bay announced that it has signed a revised agreement with D&H Solutions AS (“**D&H**”) to expand its capabilities for the sourcing and development of Nigerian oil and gas projects. James Bay had previously announced an agreement with D&H (see the Company’s press release of April 7, 2011) for a partnership to conduct identification and due diligence of prospective acquisition targets of significant onshore/offshore oil and gas projects in Nigeria. The revised agreement with D&H (the “**Agreement**”) is designed to provide the basis for James Bay to proceed with its initiatives while utilizing the extensive experience and qualifications of D&H’s personnel in Nigeria.

James Bay is also pleased to announce that it has signed an agreement with an indigenous Nigerian oil and gas service provider, Mak Mera Limited (“**Mak Mera**”). Mak Mera provides upstream oil and gas expertise and has extensive contacts that will help facilitate James Bay’s efforts in securing additional projects in Nigeria.

“We have made significant progress conducting due diligence on several exciting oil and gas projects in Nigeria,” said Mr. Stephen Shefsky, President & CEO of James Bay. “With the assistance of D&H and Mak Mera, James Bay is well positioned to execute its business plan in the oil and gas industry in Nigeria.”

Agreement with D&H

James Bay and D&H (a 50/50 partnership between Hemla II AS of Norway and Korea's DSME (Daewoo Shipbuilding and Marine Engineering) have identified a list of potential oil & gas acquisition targets that shall be the subject of the Agreement. In addition, the parties have agreed that further exploration and production oil and gas opportunities in Nigeria will be brought into a 100% owned subsidiary of James Bay in Nigeria.

The Company has also agreed to enter into a management agreement with D&H, pursuant to which Mr. Knut Sovold will be seconded as President and CEO of James Bay's 100% owned subsidiary in Nigeria, as well as further D&H management personnel as required and agreed upon by the parties.

James Bay and D&H have also agreed that for certain large-scale acquisition targets in Nigeria, James Bay shall have the first right of refusal to contribute at least 15% of the capital required at the initial funding stage.

Under the terms of the Agreement, James Bay has agreed to issue up to 6,000,000 units in James Bay (the "**Units**"), subject to regulatory approval. Each Unit is comprised of one common share of James Bay and one-half of one common share purchase warrant ("**Warrant**"), with each Warrant exercisable at Cdn.\$1.25 for a period of two years from issuance. 3,000,000 Units are issuable when the first definitive agreement for a Nigerian oil and gas project has been secured, with a further 3,000,000 Units to be issued once cumulative oil and gas production reaches an average production rate of at least 1,500 BOE/D over a period of 60 days; or the projects reach a minimum P50 recoverable estimate of at least 50 million BOE as reflected by an independent third party report. James Bay has also agreed to issue up to 600,000 options to D&H, with 300,000 options issued with the initial 3,000,000 Units, and a further 300,000 options are to be issued when the second tranche of 3,000,000 Units are issued to D&H. The options will be exercisable for a period of five years, and will be priced according to the market price at the time of issuance.

Agreement with Mak Mera

Under the terms of the agreement with Mak Mera, James Bay has agreed to issue up to 6,500,000 shares in the Company; with 3,500,000 shares to be issued when the first definitive agreement for a Nigerian oil and gas project has been secured, and a further 3,000,000 shares to be issued once the cumulative oil and gas production reaches an average production rate of at least 1,500 BOE/D over a period of 60 days; or the projects reach a minimum P50 recoverable estimate of at least 50 million BOE as reflected by an independent third party report.

If a targeted oil and gas project is identified and secured by James Bay through this process, completion of the acquisition could represent a Change of Business under the TSX Venture Exchange policies. As a result, any such transaction would be subject to a number of conditions, including TSX Venture Exchange acceptance and if required shareholder approval. *Note: BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.*

Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item 7. Omitted Information

No information has been omitted from this material change report.

Item 8. Senior Officer

The following senior officer of the Company is knowledgeable about the material change and the Material Change Report, and may be contacted by the Commission as follows:

Stephen Shefsky, President and CEO
Telephone: 416-366-4200
Facsimile: 416 366-4201
Internet: www.jamesbayresources.com

Item 9. Date of Report

February 7, 2012.