

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Rara Terra Minerals Corp. (the “Company”)
PO Box 43
1100 Melville Street
Vancouver, BC V6E 4A6

Item 2 Date of Material Change

May 3, 2011

Item 3 News Release

The news release was disseminated through Newswire on May 4, 2011.

Item 4 Summary of Material Change

The Company announced that it completed its Qualifying Transaction and the related concurrent financing.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

See attached news release.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Roger Flowerdew, Chief Financial Officer, Secretary and Director, (604) 638-7363

Item 9 Date of Report

May 12, 2011

RARA TERRA COMPLETES QUALIFYING TRANSACTION AND FINANCING

Trading Symbol: RTX - (TSX.V)

VANCOUVER, May 4 /CNW/ - Rara Terra Minerals Corp. ("Rara Terra" or the "Company"), formerly Rara Terra Capital Corp., announces that it has completed its qualifying transaction in accordance with the policies of the TSX Venture Exchange (the "Qualifying Transaction").

The Acquisition

Further to the Company's news releases dated December 1, 2010, February 10, 2011, and April 7, 2011, on May 3, 2011 (the "Closing Date"), the Company closed the transactions contemplated under an option agreement dated January 31, 2011 with American Manganese Inc. (TSX-V:AMY) ("American Manganese") pursuant to which American Manganese has granted the Company an option to acquire a 60% interest in the Lonnie Property. In order to exercise the option, Rara Terra has agreed to pay American Manganese a cash payment of \$60,000 and issue 285,000 common shares of the Company over a three-year term, which shares were issued in connection with the closing of the transaction on the Closing Date. Rara Terra has also committed to incur exploration expenditures totaling \$500,000 over the three-year term of the agreement.

In connection with this transaction, finder's fees will be paid to arm's length parties over the three-year term of the option, consisting of cash payments totaling \$6,000 and the issuance of a total of 30,000 common shares of the Company. These finder's fees and shares will be evenly divided between David Heyman (\$3,000 and 15,000 shares) and Nick Horsley (\$3,000 and 15,000 shares).

The Concurrent Financing

In connection with the Qualifying Transaction, on May 3, 2011 (the "Closing Date") Rara Terra completed a brokered and non-brokered private placement financing for total gross proceeds of \$2,313,170 whereby the Company issued 8,291,000 non-flow-through units and 801,401 flow through units. The non-flow-through units were priced at \$0.25 per unit, with each unit consisting of one common share and one half of one common share purchase warrant. The flow-through units were priced at \$0.30 per unit, with each unit consisting of one common share, issued on a flow-through basis, and one half of one non-flow through common share purchase warrant. Each whole warrant is exercisable at a price of \$0.39 per share until 18 months following the Closing Date.

A portion of the non-flow-through financing, being the brokered financing portion, was placed by Global Securities Corporation ("Global"). The Company has paid Global a cash commission of \$75,040 and issued Global 300,160 broker warrants, exercisable at a price of \$0.25 per share, until 18 months following the Closing Date. The Company has also paid Global a \$30,000 Corporate Finance Fee.

Additional finder's fees of \$68,985 were paid in connection with this financing. All of the securities issued in connection with the concurrent financing, and the shares issued to American Manganese and the finders described above in connection with the option agreement, will be subject to a hold period of four months and one day from the Closing Date.

Changes in Management

In connection with the completion of the Qualifying Transaction, the following changes to the Company's management team were given effect:

- Christopher Ecclestone was appointed as a director of the Company joining Fraser Atkinson, John Veltheer, Alexander Helmel and Roger Flowerdew on the Company's board of directors;
- Christopher Ecclestone was appointed President and Chief Executive Officer of the Company;
- Alexander Helmel (who remains a director) resigned as the Company's President, Secretary and Chief Executive Officer;
- John Veltheer (who remains a director) resigned as Vice President of the Company;
- Roger Flowerdew was appointed Secretary of the Company; and
- Darrell Elliot resigned as a director of the Company but remains a strategic consultant to the Company.

Secondary Transaction

Further to the news release of February 1, 2011, the acquisition of the Las Chacras Property from Golden Santa Cruz S.A. ("GSC"), an Argentine corporation, will occur subsequent to the Closing.

As consideration, the Company is expected to make a cash payment of \$25,000 and to issue 3,000,000 common shares to GSC, which shares shall be subject to milestone-driven release conditions and, subsequently, an escrow agreement to be entered into between Rara Terra, GSC's principals and an escrow agent to be selected by Rara Terra.

The Las Chacras Property is located in the Sierra Pampeanas range in the province of San Luis in the west of Argentina. The Las Chacras Property is prospective for rare earth elements and is proximal to the Rodeo de Los Molles REE property currently under option by Wealth Minerals Ltd. (TSX-Venture: WML).

Stock Options

The Company has also granted 1,024,100 incentive stock options to directors and consultants. These options are exercisable for a period of five years at a price of \$0.26 per share and are subject to approval by the TSX Venture Exchange.

Current Share Capital

The Company's current common share capital structure is as follows:

Shares outstanding prior to closing of QT:	6,600,000
Shares issued to American Manganese:	75,000
Shares issued to Finders (Heyman & Horsley) :	7,500
Shares issued under concurrent financing:	9,092,401
Total Non-Diluted:	15,774,901
Warrants expiring August 27, 2012	300,000
Existing incentive stock options:	450,000
Newly granted incentive stock options:	1,024,100
Concurrent financing warrants expiring November 3, 2012	4,546,201
Total Fully Diluted:	22,095,202

The Lonnie Property

The Lonnie Property consists of 8 mineral claims, totaling 1605 hectares, and is located on Granite Creek, south east of Manson Creek in North Central British Columbia, approximately three hours drive north of Fort St. James. While historically known for its showings of niobium, the Lonnie Property has more recently become of interest for its rare earth elements showings.

A geological report prepared in accordance with National Instrument 43-101 ("NI 43-101") by Norm Tribe, P. Eng., of geological consulting firm N. Tribe & Associates Ltd., is available on SEDAR - www.sedar.com.

About the Company

Rara Terra is a Canadian mineral exploration and development company focussed on Rare Earth Elements (REEs). Rara Terra is seeking to identify and develop Rare Earth Element (REE) deposits characterized by less common mineralization. These unique deposits will bear those specific REEs that are widely agreed to have the strongest mid to long term technological relevance and sustainable economic value. The Company will direct its exploration and development programs to properties located in North, Central and South America.

ON BEHALF OF THE BOARD

RARA TERRA MINERALS CORP.

Per: "[Fraser Atkinson](#)"
Fraser Atkinson
Chairman and Director

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Disclaimer for Forward-Looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding Rara Terra Minerals Corp. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them.

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For further information:

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CO: Rara Terra Capital Corporation

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