Form 27

MATERIAL CHANGE REPORT

**UNDER SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)
and CORRESPONDING PROVISIONS OF THE SECURITIES ACTS
OF THE PROVINCES OF BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN and QUEBEC.**

ITEM 1 Reporting Issuer:

Caussa Capital Corporation
20 Adelaide Street East, Suite 901
Toronto, Ontario M5C 2T6

ITEM 2 Date of Material Changes

June 23, 2000

ITEM 3 Press Releases:

June 23, 2000

ITEM 4 Summary of Material Changes:

On June 23, 2000 Caussa Capital Corporation announced a Rights Offering to raise $0.8 million of new equity, assuming all Rights are exercised, and an additional $1.3 million assuming all associated warrants are exercised.

ITEM 5 Full Description of Material Changes:

Full description of the material change is set out on the enclosed copy of the Press Release date June 23, 2000.

ITEM 6 Reliance on Section 75(3) of the Act:

N/A

ITEM 7 Omitted Information:

N/A

ITEM 8 Senior Officer:

Robert Yeoman, Vice-President and Corporate Secretary, Tel: (416) 861-9940

ITEM 9 Statement of Senior Officer:

The foregoing accurately disclosed the material changes referred to herein.

DATED at Toronto, in the Province of Ontario, this 26th day of June, 2000.

Robert Yeoman (signed)
Vice-President and Corporate Secretary

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CAUSSA
Capital Corporation

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Website: http://www.caussacapital.com

Ref: Anthony D. de Werth,
Chairman & CEO
Kenneth W. Johnson,
President

FOR IMMEDIATE RELEASE: JUNE 23, 2000

TSE STOCK SYMBOL: **CAU**

Processing Plants to be Upgraded - Rights Offering Announced

Caussa Capital Corporation ("Caussa") wishes to announce that its Board of Directors has approved a Rights Offering to raise $0.8 million of new equity, assuming all Rights are exercised, and an additional $1.3 million assuming all associated warrants are exercised. Net proceeds derived from the Rights Offering will be primarily used to purchase additional processing equipment at Caussa's Witkrans diamond and Barberton gold operations.

Under the terms of the Rights Offering, each holder of common shares at the close of business on June 29, 2000 (the "Record Date") will receive one Right for each common share held. Eight Rights will entitle the holder to subscribe for one Unit of the Corporation at a price of $0.14 per Unit. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.20 per share at any time and from time to time until July 25, 2001. Holders of Rights who exercise their Rights in full can subscribe for additional common shares on a pro-rata basis. Holders of Caussa shares who wish to exercise their Rights may do so until July 25, 2000. Caussa's common shares will commence trading on The Toronto Stock Exchange on an ex-distribution basis at the opening on Tuesday, June 27, 2000 at which time the Rights will be posted for trading on a "when issued" basis. The warrants associated with the Units will not be listed on The Toronto Stock Exchange. The maximum number of common shares which could be issued under the Rights Offering, excluding the exercise of the associated warrants, is 6,362,187 and, including the exercise of the associated warrants, is 12,724,374.

A Rights Offering Circular and Rights Certificates will be mailed to all shareholders as of the Record Date who reside in the provinces of Ontario, British Columbia, Quebec, Saskatchewan and Alberta. Shareholders resident in other jurisdictions are deemed to be ineligible to participate in the offering and will not receive Rights Certificates or be eligible to exercise Rights. Montreal Trust Company of Canada will attempt to sell such shareholders' Rights on The Toronto Stock Exchange and will forward the net proceeds from these sales, if any, to the ineligible shareholders on a pro-rata basis.

All officers and directors of the Corporation have agreed to subscribe for the Rights allocated to them. The 2000 Annual Report, together with the 2000 Annual and Special Meeting materials, will be mailed with the Rights materials to shareholders on Friday, June 30. An update regarding progress achieved with respect to the Witkrans diamond property trial mining program will be released early next week.

NO STOCK EXCHANGE, SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE INFORMATION CONTAINED HEREIN.