

BC FORM 53-901F

SECURITIES ACT

1. Reporting Issuer

QUEST CAPITAL CORP.

Suite 300 – 570 Granville Street
Vancouver, B.C. V6C 3P1
(the “Company”)

2. Date of Material Change

October 4, 2004

3. Press Release

Date of Issuance: October 4, 2004

Place of Issuance: Vancouver, British Columbia

4. Summary of Material Change

Vancouver, British Columbia - **Quest Capital Corp.** (TSX – "QC.A" and "QC.B") (the "Company") announced today that all remaining issued and outstanding Class B Voting Shares ("Class B Shares") of the Company held on the record date of October 8, 2004 will be converted into Class A Voting Shares ("Class A Shares") of the Company on the basis of 1.25 Class A Shares for each Class B Share held. The Company has determined that, as a large number of Class B Shares have already been converted by holders into Class A Shares, there is no longer a sufficient liquid market in the Class B Shares.

5. Full Description of Material Change

Pursuant to the rights and restrictions attached to the Class B Shares, certificates representing Class B Shares will be deemed effective as of the close of trading on October 8, 2004 to represent Class A Shares on a one-to-one basis and the Company will issue certificates representing an additional 0.25 fully paid Class A Share for each Class B Share to registered holders of the Class B Shares on such date.

The TSX has advised the Company that the Class B Shares will be delisted from the TSX at the close of trading on October 8, 2004. The trading symbol for the Class A Shares will be changed from "QC.A" to "QC" effective as of the opening of trading on October 11, 2004. As a result of the completion of the conversion of the Class B Shares, the Company will have only one class of shares (Class A Shares) outstanding and listed on the TSX, of which 88,629,320 Class A Shares will be issued.

The Company is a merchant banking organization that focuses on providing financial services, specifically bridge loans, to small and mid-cap companies in North America. The Company's primary expertise is providing asset backed commercial bridge loans of between \$500,000 and \$20,000,000 to publicly listed companies, generally operating in industries such as mining, oil and gas, manufacturing, real estate, and technology.

For more information about the Company, please visit our website (www.questcapcorp.com) or contact investor relations at 1-800-318-3094.

6. Reliance on Confidential Filing Provisions of the Act

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officers

Brian E. Bayley
Vancouver, BC
Telephone: (604) 689-1428
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9. Date of Report

October 4, 2004