FORM 51-102F3

Material Change Report

Item 1 Name and Address of Company

Atlantic Industrial Minerals Incorporated ("AIM")
PO Box 237
Sydney, NS B1P 6H1

Item 2 Date of Material Change

March 2, 2006

Item 3 News Release

A press release was issued through Canada News Wire on March 2, 2006.

Item 4 Summary of Material Change

AIM announced that it has agreed in principle to sell its common shares of Kelly Rock Limited ("Kelly Rock") to Municipal Capital Incorporated ("Municipal").

Item 5 Full Description of Material Change

On March 2, 2006, AIM announced that it has agreed in principle to sell its common shares of Kelly Rock to Municipal. AIM currently owns 675,000 common shares of Kelly Rock while Municipal owns one common share and 675,000 preferred shares of Kelly Rock. Kelly Rock has debts outstanding to Municipal of approximately $264,000, and the Kelly Rock preferred shares held by Municipal have approximately $928,000 of accrued and unpaid dividends outstanding. Municipal also owns 7,136,744 common shares of AIM.

Under the terms of the proposed agreement, in consideration for the 675,000 common shares of Kelly Rock, Municipal would cancel $657,846 of debt owing by AIM to Municipal and return its 7,136,744 common shares of AIM to AIM for cancellation. It is expected that this transaction would remove approximately $2,524,900 in obligations from the consolidated balance sheet of AIM. The trading price of AIM shares immediately prior to the announcement of the proposed agreement was $0.12 per share. In addition, Kelly Rock would pay a royalty to AIM of $100,000 in 2006; $75,000 in 2007; and, $50,000 in 2008.

Kelly Rock currently operates the Glen Morrison Limestone Quarry and supplies limestone to Nova Scotia Power Incorporated under a 7-year supply contract.

Following the transaction, AIM would have approximately 7.25 million shares outstanding and would continue to own the following:

(a) 50% interest in Glencoe Resources Inc. which owns the mineral rights to the Glencoe limestone resource;
(b) 100% interest in the limestone resource at Port Au Port Peninsula, Newfoundland and Labrador;

(c) 100% interest in Great Bras d'Or Springs Inc. water resource; and,
(d) Real property in Lake Ainslie and processing equipment.

The proposed transaction is subject to regulatory approval, any required shareholder approval, negotiation of a formal binding agreement and approval of the Board following receipt of a financial opinion from appropriate financial advisors.

AIM is a natural resource company based in Sydney, Nova Scotia, engaged in the production and sale of industrial minerals. The common shares of AIM are listed on the TSX Venture Exchange. (Listing Symbol: ANL)

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

Not applicable.

Item 7 Omitted Information

No significant facts remain confidential in, and no information has been omitted from, this report.

Item 8 Executive Officer

For further information please contact:

David W. MacKenna, President.
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Sydney, NS B1P 6H1
Telephone: (902) 562-2240

Item 9 Date of Report

March 10, 2006.