

**FORM 51-102F3
MATERIAL CHANGE REPORT**

- ITEM 1.** **Reporting Issuer**
MagIndustries Corp. ("MagIndustries" or the "Company")
372 Bay Street
Suite 801
Toronto, Ontario M5H 2W9
- ITEM 2.** **Date of Material Change**
November 20, 2007.
- ITEM 3.** **Press Releases**
Press release in the form of Schedule A attached hereto was disseminated on November 20, 2007 via Marketwire news service.
- ITEM 4.** **Summary of Material Change**
MagMinerals Inc. ("MagMinerals"), a unit of MagIndustries, announced that it has received a resource report (the "Report") for its Kouilou Potash Project prepared in accordance with National Instrument 43-101. MagMinerals intends to build, own, and operate a stand-alone potash plant, 16 kilometres east of the Atlantic port city of Pointe-Noire, Republic of Congo to utilize the resource set forth in the Report.
- ITEM 5.** **Full Description of Material Change**
See Schedule A attached.
- ITEM 6.** **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**
Not applicable.
- ITEM 7.** **Omitted Information**
Not applicable.
- ITEM 8.** **Executive Officer**
The following officer of the Company may be contacted for further information:

William (Bill) Burton
President & CEO
Tel: (416) 368-7911
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- ITEM 9.** **Date of Report**
This report is dated this 20th day of November, 2007.

Schedule A



TSX VENTURE: MAA
Nov 20, 2007 08:56 ET

MagMinerals Reports Potash Resource for the Kouilou Project

TORONTO, ONTARIO--(Marketwire - Nov. 20, 2007) - MagMinerals Inc. ("MagMinerals" or the "Company"), a unit of MagIndustries Corp., (TSX VENTURE:MAA) is pleased to announce that it has received a resource report (the "Report") for its Kouilou Potash Project (the "Kouilou Project") prepared in accordance with National Instrument 43-101. MagMinerals intends to build, own, and operate a stand-alone potash plant, 16 kilometres east of the Atlantic port city of Pointe-Noire, Republic of Congo to utilize the resource set forth in the Report. Pointe-Noire, West Africa's best deep-water port, has successfully served as the operations base for major international oil companies for the past 30 years.

The Report identifies measured, indicated and inferred carnallite resources within MagMinerals' 2200 square kilometer Makola License which compliments the final feasibility study ("FS") currently nearing completion. Carnallite is a mineral best described as a magnesium-potassium-chloride or a double-salt with the chemical formula $\text{KMgCl}_3\cdot 6\text{H}_2\text{O}$. The carnallite occurs in multiple, horizontal horizons ranging in thickness from 0.5 metres to 24 metres ("m") with an average content of about 70% carnallite. Four horizons, located between 400m and 800m below the surface, have been considered for commercial development. Carnallite is the geological term for a rock salt which contains a significant content of the mineral carnallite.

The cut-off factors for the solution mining of the carnallite horizons are a minimum thickness of 5m and an average carnallite content over 30% (KCl content greater than 8%). The measured resources amount to 104.6 million tonnes of carnallite with an average grade of 17.5 % KCl representing 18.3 million tonnes of KCl. The indicated resources amount to 17.4 million tonnes of carnallite at an average of 19.5 % KCl representing 3.4 million tonnes of KCl. The inferred resources amount to 1.07 billion tonnes of carnallite at an average of 17.3 % KCl representing 185.9 million tonnes of KCl. The resource estimation method applied is in accordance to the international practice of the potash industry and bases for the different resource categories on particular confidence radii around each drill hole.

The Report is based on the technical results of 13 drill holes, 23 kilometres of seismic surveys, as well as down-hole geophysical surveys completed during MagMinerals recent exploration programs. Ercosplan Ingenieurgesellschaft Geotechnik und Bergbau mbH (Ercosplan), formerly the East German Potash Consortium, authors of the Report, have over 50 years experience in the potash industry. Ercosplan were responsible for supervising the drilling and core sampling programs. The Report is expected to be updated and submitted as a Reserve Report concurrent with the completion of the FS.

The measured and indicated resources are sufficient for over 36 years of production for the first phase of the Kouilou Project which has been designed as a 580,000 tonnes per year ("tpy"), single train potash plant. The plant is based on a modular design and it is the intention of MagMinerals to double the first phase capacity to reach a total of 1,200,000 tpy to more fully utilize the extensive resource base available.

A copy of the full Report may be obtained under MagIndustries' profile on www.sedar.com or on its website at www.magindustries.com.

The Kouilou Potash Project

The Kouilou Project proposes the use of proven solution mining technologies to exploit the extensive carnallite deposits. The potash products will be recovered from the raw material brines using proven state-of-the-art technologies. Once the potash is separated from the brine, the remaining material stream can be easily transformed to provide an appropriate magnesium chloride feedstock for MagMinerals' sister company MagMetals, which is considering the development of an adjacent magnesium smelter.

Phase I of the Kouilou operation has a planned capacity of 580,000 tpy of KCl, (equivalent to approximately 350,000 tonnes K₂O). It is expected that the product output will be mostly granular KCl which will be directed primarily to target markets in South Africa, Brazil and Europe. The Kouilou Plant is expected to be commissioned by late 2010, with first shipments in early 2011.

As noted above the feasibility study has not yet been completed and there is therefore no certainty the proposed operations will be economically viable.

Key Development & Technology Providers

MagMinerals intends to build the Kouilou Potash plant with the support of several leading international companies. SNC-Lavalin International Inc. (SLII) is actively working toward the completion of the overall FS which, as indicated above, is expected to be delivered to MagMinerals in the first quarter of 2008.

On June 29, 2007, MagIndustries announced that Consolidated Contractors International Company S.A.L. ("CCC") (www.ccc.gr) has been retained as general contractors for the construction of the Kouilou Potash Project and to assist SLII with the completion of detailed capital cost estimates. CCC, a top tier international contractor based in Athens, Greece, has worldwide operations and has completed numerous large-scale projects in many regions of the world including Africa.

MagMinerals has also selected HPD, LLC ("HPD") to design and provide key equipment for a brine concentration system and a multi-stage crystallization system to produce potassium chloride. HPD (formerly US Filter) is a Veolia Water Solutions & Technologies Company, which itself is a subsidiary of Veolia Water. HPD has provided more than 600 installations in 30 countries and were awarded the contract for Kouilou Project due to their extensive experience in potash installations and expertise in crystallization process design for chemical production applications.

MagMinerals has entered into a preliminary agreement with Ameropa AG, a private Swiss company, who have indicated their ability to market 100% of the potash production from the Kouilou Project. A definitive marketing agreement is in the final stages of negotiation. The marketing agreement will also support a debt finance package proposed to cover 70% of the plant's capital costs. BNP Paribas are advisors to MagMinerals with respect to this debt financing which is expected to include a number of international financial institutions.

Competitive Advantages

New economic sources of potash are limited and there are very substantial barriers to entry into the business. MagMinerals expects to be the only green-field potash supplier to come into production in the next five years. Factors contributing to MagMinerals expected cost competitiveness include low cost solution mining methods (generally estimated at 25-40% lower capital costs than conventional underground mining), abundant low cost natural gas, and existing infrastructure such as rail lines and proximity to existing port facilities.

From Pointe Noire, the shipping time to Brazil, one of the world's largest importers of potash, is less than half that of other major suppliers. MagMinerals should also be the lowest cost supplier to West Africa, and South Africa and have very competitive rates to Southern Europe and North Africa. Current potash prices in Brazil are in the range of US\$350/tonne. Spot prices worldwide have recently been quoted at

\$400/tonne.

Qualified Person

ERCOSPLAN, under the supervision of EurGeol Dr. Henry Rauche, serves as the qualified person under National Instrument 43-101. Samples have been assayed at K-UTEC Laboratory in Germany. In addition to internal checks by K-UTEC Laboratory, the company incorporates a QA/QC sample protocol utilizing sample splits and duplicates.

MagIndustries Corp. is a Canadian company whose common shares are listed on the TSX Venture Exchange and trades in Canadian currency under the symbol "MAA". The Company has 193,924,016 shares outstanding on an undiluted basis. More information on the Company is available at its website, www.magindustries.com.

Except for historical information, this press release contains forward-looking statements, which reflect the Company's current expectation regarding future events. These forward-looking statements involve risks and uncertainties, which may cause actual results to differ materially from those statements. Those risks and uncertainties include, but are not limited to, changing financial market conditions, commodity price fluctuations, technology risks, local government regulations or political unrest and other risks detailed from time-to-time in the Company's ongoing filings. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events in this press release might not occur.

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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