

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

Item 1. Name and Address of Company

Kettle River Resources Ltd.
Box 130, 298 Greenwood Street,
Greenwood, B.C. V0H 1J0

(250) 445-6756

Item 2. Date of Material Change

October 12, 2007

Item 3. News Release

October 12, 2007

Item 4. Summary of Material Change

Please see attached news release.

Item 5. Full Description of Material Change

Please see attached news release.

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

Not Applicable

Item 7. Omitted Information

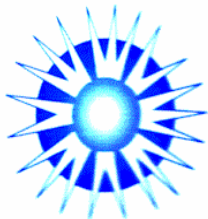
Not Applicable

Item 8. Executive Officer

The director of the Company, Ellen Clements is knowledgeable about the material change. She may be contacted at the number provided in Item 1

Item 9. Date of Report

October 12, 2007



Kettle River Resources Ltd. TSX-V-KRR

**Box 130, 298 Greenwood Street,
Greenwood, B.C. V0H 1J0**

Phone: 250 445 6756 Toll Free 1800 856 3966

Facsimile: 250 445 2259

email: kettle@sunshinecable.com

News Release Kettle River Financing Closed

October 12, 2007: Kettle River Resources Ltd. (the "Company") has completed the Non-Brokered Private Placement referenced in News Releases September 4, 2007 having received TSX Venture final approval on October 4, 2007.

The Company has issued a total of 2,107,500 units that include 2,055,000 from subscribers and 52,500 for Finders' Fees. Each unit consists of one common share with a half share non-transferable warrant. A full warrant will entitle the holder to purchase one additional share of the Company for a period of up to two years from share issuance date at an exercise price of 35 cents per share. A total of \$411,000 was realized. Insiders of the Company subscribed to 625,000 units.

In this placement, 1,516,000 units are subject to a hold period expiring January 25, 2008 and 591,500 units until February 4, 2008. Warrants expiry dates to purchase common shares of the Company are 758,000 up to September 24, 2009 and 295,750 to October 5, 2009.

The funds raised are for the DHK Diamonds Inc. WO Joint Venture Diamond Project located in the Northwest Territories, the Greenwood Area properties exploration and for general corporate funds.

ON BEHALF OF THE BOARD

'Signed'

Ellen Clements, Director
President & CEO

Contact Larry Widmer 250 878 5099 or Ellen Clements 1 800 856 3966

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