MATERIAL CHANGE REPORT

Material Change Report under Section 146(1) of the *Securities Act*, Alberta, Section 75(2) of the *Securities Act*, Ontario, Section 67(1) of the *Securities Act*, British Columbia.

ITEM 1 Reporting Issuer:

The reporting issuer is Kinloch Resources Inc. ("Kinloch" or the "Company"), whose principal office is located at 1025, 400 - 5th Ave. S.W., Calgary, AB T2P 0L6.

ITEM 2 Date of Material Change(s):

The date of the Material Change was March 30, 2003.

ITEM 3 News Release:

A news release was issued through the facilities of Canada News Wire on May 30, 2003.

ITEM 4 Summary of Material Change(s):

Kinloch announced the appointment of Stephen C. Farner, B.Sc. (Geology and Geophysics) as Vice President, Exploration. Mr. Farner has over twenty years of exploration experience.

As incentive compensation, 200,000 stock options of Kinloch have been reserved for Mr. Farner at the market trading price of $1.05 per share and a non-brokered private placement of 170,000 shares will be subscribed for at $0.88 per share. The stock option grant and private placement are both subject to final TSX Venture Exchange approval.

ITEM 5 Full Description of Material Change(s):

Kinloch announced the appointment of Stephen C. Farner, B.Sc. (Geology and Geophysics) as Vice President, Exploration. Mr. Farner is an experienced prospect generator and was recently Technical Team Leader and Senior Geophysical Advisor with a major international exploration and production company. He has over twenty years of exploration experience and has been involved in leading edge technology.

As incentive compensation, 200,000 stock options have been reserved for Mr. Farner at the market trading price of $1.05 per share and a non-brokered private placement of 170,000 shares will be subscribed for at $0.88 per share. Kinloch's employee compensation is weighted heavily towards share ownership. The stock option grant and private placement are both subject to final TSX Venture Exchange approval.

ITEM 6 Reliance on Section 146(2) of the Securities Act (Alberta), (or similar provisions of the other jurisdictions where this report is being filed):

Not applicable.

ITEM 7 Omitted Information:

Not applicable.

ITEM 8 Senior Officers

Paul Read,
President and CEO
Kinloch Resources Inc.
1025, 400 - 5th Ave. S.W.
Calgary, AB T2P 0L6
Tel: (403) 503 - 0573

ITEM 9 Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

Dated at the City of Calgary, Alberta this 3rd day of June, 2003.

(signed)
Paul Read
President & CEO