

MATERIAL CHANGE REPORT

TO: British Columbia Securities Commission
Alberta Securities Commission

Item 1. Name and Address of Company

Klondike Gold Corp.
711-675 West Hastings Street
Vancouver, British Columbia
V6B 1N2

Item 2. Date of Material Change:

September 7, 2004

Item 3. News Release

The press release was issued on September 3, 2004 in Vancouver, Canada.

Item 4. Summary of Material Change

The Company announced it has staked ground around the Eng Prospect in southeastern British Columbia.

Item 5 Full Description of Material Change

The Company has acquired a land position, through staking, around and including the Eng silver prospect (BC Minfile occurrence 082FSE106) in southeastern British Columbia. The area is underlain by Middle Proterozoic Aldridge Formation due west of the Cold Creek and Mount Mahon areas, approximately 1.5 km south of the town of Yahk.

Two holes were drilled on the property in 1990 by Kokanee Explorations Ltd. One of these intersected a silver vein at a depth of several hundred meters. It is described in B.C. Government Minfile, taken from assessment report 20828:

"Mineralization, consisting of native silver, native copper and gold, occurs within a 15 cm zone of fragmental quartzitic argillite and siliceous mud beds. The mineralization is described to be contained within bedded seams less than 0.5 mm thick within a purple brown siliceous fragment. The 15 cm zone is described as subrounded fragments and mud; the fragments are heavily crowded with fine pyrite and pyrrhotite. A sample of a mineralized fragment yielded 34,183 g/tonne silver (approximately 1000 oz/tonne), 10.3 percent copper and 0.27 g/tonne gold."

The exceptionally high silver content intersected at this showing warrants further investigation, including some surface prospecting in an attempt to define mineralization at surface and drilling to determine the source of these fragments and to trace the host structure.

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

Not applicable. This report is not being filed on a confidential basis.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

Dennis Fong
Director and Corporate Secretary
Telephone: (604) 685-2222

Item 9. Date of Report

Dated at Vancouver, British Columbia this 7th day of September, 2004.