

MATERIAL CHANGE REPORT

TO: British Columbia Securities Commission
Alberta Securities Commission

Item 1. **Name and Address of Company**

KLONDIKE GOLD CORP.
Suite 711 – 675 West Hastings Street
Vancouver, B.C., Canada V6B 1N2

Item 2. **Date of Material Change**

November 2, 2004.

Item 3. **News Release**

News Release issued November 2, 2004, at Vancouver, BC.

Item 4. **Summary of Material Change**

Klondike Gold Corp. Tests Pilot Mill At Lone Star Property

Item 5. **Full Description of Material Change**

Klondike Gold Corp. and their joint venture partner are pleased to announce that a pilot mill for processing mini-bulk samples has been constructed and tested on the Lone Star property. Bulk sampling has been identified as the most appropriate method for accurately measuring the gold content of mineralized zones with a “nugget effect” style of gold enrichment. A full program of bulk testing will proceed in 2005.

A central, secure location on Eldorado Creek was chosen for the mill site, near the mineralized zones on Eldorado Ridge which are scheduled to be tested by bulk sampling. The mill components have been mobilized and assembled to form a gravity mill suitable for testing batches of gold-bearing rock from the five main target zones. The circuit consists of two stages of crushing, weighing scales, a pair of sealed, unlined ball mills followed by a Diester shake table for gravity recovery of gold. The plant is suitable for testing ore in batches of between 100kg and 10 tonnes. Two concentrates are produced by the process: a free gold concentrate and a gold-rich heavy mineral concentrate (pyrite, barite, galena, magnetite etc.). The concentrates are dried, weighed, examined microscopically and fire assayed. The tailings are also analyzed for gold not recovered by gravity.

Test runs of up to 380kg have been processed through the mill circuit from several areas on the property. These tests were for the purpose of evaluating the mill process, adjusting the equipment, and training the staff. The process was clearly working, with visible gold and heavy minerals effectively separated from the lighter waste minerals. The test milling has been suspended due to the onset of winter conditions. A full program of mini-bulk sampling will be conducted starting next spring on the Lone Star, Buckland, Nugget Shear, Oro Grande and 27 Pup zones. Results from the tests performed this autumn will be announced as assay results are received.

Klondike Gold Corp. and their joint venture partner are developing 5 mineralized zones on a 60 square km land position underlying the site of the Klondike Gold Rush. The area has been in constant Placer production since the discovery of gold in 1896. Thousands of ounces of gold continue to be produced from placer mining operations each year on streams in the Klondike.

Klondike Gold's joint venture partner can earn up to 75% interest in the Lone Star claim group by completing certain exploration programs and delivering a bankable feasibility study.

Item 6. **Reliance on Section 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**

Mr. Richard Hughes
President
Telephone: (604) 685-2222.

DATED at Vancouver, British Columbia, this 2nd day of November, 2004.