MATERIAL CHANGE REPORT

TO: British Columbia Securities Commission
Alberta Securities Commission
Quebec 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** – October 17, 2006.

Item 3. **News Release -** News Release issued October 17, 2006, at Vancouver, BC.

Item 4. **Summary of Material Change** - Klondike Gold Corp. (the "Company") is pleased to report that it has increased its previously announced private placement for the purchase of up to 7,000,000 flow through and non-flow through units.

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

Further to the Company's news release of October 12, 2006, the Company is pleased to announced that it has increased its previously announced private placement for the purchase of up to 7,000,000 flow through and non-flow through units at a price of $0.10 per unit for total proceeds of $700,000. Each unit will consist of one common share and one non-transferable share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of $0.10 per share. Shares will be subject to a four month hold period. Finders fees may be paid on some of the financing in accordance with Exchange policy.

The proceeds of the private placement will be used for exploration on the Company's Red Point property near Rossland/Trail, in southeastern British Columbia and for general working capital.

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 17th day of October, 2006.