MATERIAL CHANGE REPORT

Form 53-901F (formerly Form 27) Under Section 85(1) of the British Columbia Securities Act
Form 27 Under Section 118(1) of the Alberta Securities Act
Form 27 Under Section 75(2) of the Ontario Securities Act
Form 27 Under Section 73 of the Quebec Securities Act
Form 27 Under Section 81(2) of the Nova Scotia Securities Act
Form 26 Under Section 76(2) of the Newfoundland Securities Act
Form 25 Under Section 84(1)(b) of the Saskatchewan Securities Act
National Policy 40 Manitoba/New Brunswick
(Individually, the "Act" and collectively, the "Securities Acts")

Item 1: Reporting Issuer

State the full name and address of the principal office in Canada of the reporting issuer.

Canico Resource Corp. ("Canico")
710 – 777 Hornby Street
Vancouver, B.C.
V6Z 1S4

Item 2: Date of Material Change

State the date of the material change.

January 23, 2003

Item 3: Press Release

State the date and place(s) of issuance of the press release issued under Section 85 (1)(BC), Section 118(1)(AB), Section 75(1)(ON), Section 73 (QUE), Section 81(1)(NS), Section 76(1)(NWFD), Section 84(1)(a)(SASK) of the Securities Acts.

January 23, 2003

The Press Release was released to the TSX Venture Exchange and through various other approved public media and was SEDAR filed with the Provincial Securities Commissions.

Item 4: Summary of Material Change

Provide a brief but accurate summary of the nature and substance of the material change.

Canico has agreed to issue 2,400,000 common shares without par value at a price of $3.31 per share to several investment funds in a non-brokered private placement.

Item 5: Full Description of Material Change

Canico has agreed to issue 2,400,000 common shares without par value at a price of $3.31 per share to several investment funds in a non-brokered private placement. The closing of the placement is subject to completion of standard documentation and requires that Canico shall be a "qualifying issuer" under Multilateral Instrument 45-102 of the Canadian Securities Authorities before the Closing Date, so that the issued shares will be subject to a four month hold period.

Closing of the placement is scheduled for January 31, 2003.

The $7,944,000 proceeds from the placement will be used to fund ongoing work programs on the Onça-Puma nickel laterite project in Pará State, Brazil, and for general corporate purposes.

Item 6: Reliance on section 85 (2)(BC), Section 118(2)(AB), and Section 75(3)(ON) of the Securities Acts

Not applicable

Item 7: Omitted Information

Not applicable

Item 8: Senior Officers

The following senior officer of the Issuer is knowledgeable about the material change and may be contacted by the Commission at the following address and telephone number:

Jonathan Rubenstein
Vice President & Corporate Secretary
710 – 777 Hornby Street
Vancouver, B.C. V6Z 1S4 Phone: (604) 669-9446

Item 9: Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia, this 24th day of January, 2003.

"Jonathan Rubenstein"
Jonathan Rubenstein
Vice President & Corporate Secretary

IT IS AN OFFENCE UNDER THE *SECURITIES ACT* AND THE ALBERTA SECURITIES COMMISSION RULES FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENTS REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE RULES THAT, AT THE TIME AND IN LIGHT OF CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.

ANY FEE PAYABLE TO THE ALBERTA SECURITIES COMMISSIN UNDER THE *SECURITIES ACT*, THE SECURITIES REGULATION AND THE ALBERTA SECURITIES COMMISSION RULES SHALL BE PAID TO THE ALBERTA SECURITIES COMMISSION IN ACCORDANCE WITH THE REQUIREMENTS OF THE FEE SCHEDULE TO THE SECURITIES REGULATION. ANY FAILURE TO ACCOMPANY A FORM OR APPLICATION WITH THE PRESCRIBED FEE SHALL RESULT IN THE RETURN OF THAT FORM OR APPLICATION.

IT IS AN OFFENCE FOR A PERSON TO MAKE A STATEMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE *SECURITIES ACT* OF THIS REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENATION. [NOVA SCOTIA]

IT IS AN OFFENCE FOR A PERSON TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THESE REGULATIONS THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE IS A MISREPRESENTATION. [SASK/NWFD]