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.

August 13, 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.

August 13, 2003

The Press Release was released to the Toronto Stock 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 announced the receipt of new inferred resource calculations for the Onça and Puma nickel laterite deposits in Pará State, Brazil.

Item 5: Full Description of Material Change

Canico announced receipt of new inferred resource calculations for the Onça and Puma nickel laterite deposits in Pará State, Brazil. The Onça estimate is based upon Canico's Phase I diamond drill program at Onça. In addition, on-strike drilling at the Puma West deposit, (outside the Xikrin Indigenous reserve), has resulted in the extension of the deposit and an increase in the estimated Puma West resources announced in January, 2003. The Onça estimate and the revised Puma estimate were run at two cut-off grades.

1.5% Nickel Cut-Off Grade

	Tonnes	% Nickel	% Cobalt
Onça	**69,854,460**	**2.12%**	**0.123%**
Revised Puma West	**34,559,332**	**2.21%**	**0.07%**
Total Inferred Resources	**104,413,792**	**2.15%**	**0.105%**

1.0% Nickel Cut-Off Grade

	Tonnes	% Nickel	% Cobalt
Onça	**140,813,880**	**1.67%**	**0.125%**
Revised Puma West	**56,778,651**	**1.83%**	**0.082%**
Total Inferred Resources	**197,592,531**	**1.72%**	**0.113%**

Key Assumptions, Parameters, Estimate Methods and Other Discussion

1. The estimates were completed using a data base compiled from 485 diamond drill holes completed by Canico in 2003 at Onça and 244 diamond drill holes completed by Canico in 2002 and 2003 at Puma West. These holes were drilled on lines which were spaced 200 meters apart and which cut across the strike of the deposits. Holes along these lines were spaced 200 meters apart at Onça, 100 meters apart in the area of the Puma Main Zone and 200 meters apart elsewhere on Puma West. All holes were assayed as set out in Canico's news release dated October 17, 2002, and the results were verified by a qualified person.

2. The estimates of resources were completed using the polygonal method, and a minimum thickness of 2 meters and incorporate geological assumptions as to the limits of the mineralization. Each drill hole was given an area of influence halfway to the nearest neighbouring drill hole. The maximum block size was 200 meters by 200 meters. Based on extensive test work on HQ diamond drill core, supported by bulk sampling from test pits, the dry bulk tonnage factors used were 1.20 tonnes per cubic meter on the Onça deposit. For Puma West, the factors used were 1.24 tonnes per cubic meter on the Puma Main Zone and 1.16 tonnes per cubic meter on the Puma East Plateau Zone (see Canico news release 2-03 dated January 20, 2003).

3. A number of factors, including variations in mineral chemistry, strip ratio considerations and final economic cut-off grades will affect the mineral resources which may ultimately be mined and processed at Onça-Puma.

4. Canico opted to apply a conservative drill density standard in classifying the above resources at this time. Some of these resources would have been classified as "indicated resources" if a less conservative standard had been used. The classification standard is subject to revision in future estimates.

5. At the current stage of work, the mineral resources cannot be considered to have demonstrated economic viability.

6. Assaying is done at Lakefield Geosol Ltda., Brasil, by lithium tetraborate fusion and X-Ray Fluorescence for nickel, cobalt and ten other elements and compounds. Analysis for lead and zinc is done by multi- acid digestion and finished by AAS (Atomic Absorption Spectroscopy).

The Onça resource estimate at the 1.5% nickel cut-off grade compares to the inferred resources of 22.6 million tonnes grading 2.10% nickel estimated last year by Watts, Griffis and McOuat Ltd., Consulting Geologists and Engineers, ("WGM"), based on limited historical exploration data. The resources estimated by WGM were all in the inferred category.

The Onça estimate is based upon the results of 485 diamond drill holes completed in Canico's 2003 evaluation program. The revision to the Puma estimate is based upon the results of an additional 24 diamond drill holes west of the main Puma ridge. The Onça estimate and the revised Puma estimate were completed as at August 13, 2003, according to the requirements of National Instrument 43-101, and under the supervision of Callum Grant, P.Eng., of Hatch Associates Ltd., Consulting Geologists and Engineers, of Vancouver, B.C., who are independent of Canico. Details of these estimates, a description of the calculation method employed, a site map for the drill holes, a description of Canico's assaying and analytical techniques and methodology and particulars of historical mineral resource estimates may all be found on Canico's website at www.canico.com. As well, the web site contains provisional outlines of the deposits at Onça and Puma and a complete tabulation of the composited nickel and cobalt assays from Canico's programs to date, completed at both 1.5% and 1.0% nickel cut-off grades over a two meter minimum thickness.

Canico will complete a scoping study in the fall of 2003 to establish order of magnitude parameters for building and operating a nickel mine at Onça-Puma. A full feasibility study on the Onça-Puma Project is scheduled to be completed in late 2004. A cut-off grade has not yet been established for use in mine planning and financial modeling, and this, together with considerations such as strip ratios and mineral chemistry will be important factors in determining the appropriate resources to be considered in the final feasibility study.

The Onça-Puma laterites are flat-lying near surface deposits that appear to be suitable for conventional, pyrometallurgical processing, like that currently in use at a number of other nickel laterite operations, including P.T. Inco, Cerro Matoso, Loma de Niquel and Falcondo.

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 A. 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 13th day of August, 2003.

"Jonathan A. Rubenstein"
Jonathan A. Rubenstein
Vice President & Corporate Secretary

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