BIRCH MOUNTAIN RESOURCES LTD.
Suite 3100, Bow Valley Square II
205 - 5th Avenue S.W.
Calgary, Alberta T2P 2V7
Tel: (403) 262-1838
Fax: (403) 263-9888

ALBERTA SECURITIES COMMISSION
19th Floor, 10025 Jasper Avenue
Edmonton, Alberta, T5K 3Z5

BRITISH COLUMBIA SECURITIES COMMISSION
P.O. Box 10142 Pacific Centre
701 West Georgia Street
Vancouver, British Columbia, V7Y 1L2

TSX VENTURE EXCHANGE
10th Floor, 300 - 5th Avenue S.W.
Calgary, Alberta, T2P 3C4

Dear Sirs:

Re: BIRCH MOUNTAIN RESOURCES LTD.
Material Change Report Under Section 146 of the *Securities Act* (Alberta), Section 85 of the *Securities Act* (British Columbia) and Section 75(2) of the *Securities Act* (Ontario)

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of BIRCH MOUNTAIN RESOURCES LTD. (the "Corporation" or "Birch Mountain"). For convenience, this letter is itemized in the same manner as Form 27 of the *Securities Act* (Alberta) and Form 53-901F of the *Securities Act* (British Columbia). Concurrent with this filing, this letter is being filed with the TSX Venture Exchange, being the only exchange on which the Corporation's shares are currently listed.

Item 1 - Reporting Issuer

BIRCH MOUNTAIN RESOURCES LTD.
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Item 2 - Date of Material Change

The material change occurred on September 26, 2002.

Item 3 - Publication of Material Change/Press Release

A press release was issued on September 26, 2002.

Item 4 - Summary of Material Change

The Corporation has entered into two agreements with Suncor Energy Inc., (“Suncor”), one concerning the acquisition by Birch Mountain of rights to recover precious metals from certain tailings produced by Suncor

("Tailings Agreement"), and the second concerning limestone ("Limestone Agreement").

Full Description of Material Changes

The Corporation has entered into two agreements with Suncor Energy Inc., ("Suncor"), one concerning the acquisition by Birch Mountain of rights to recover precious metals from certain tailings produced by Suncor ("Tailings Agreement"), and the second concerning limestone ("Limestone Agreement"). The agreements were reached under the overarching Co-development Agreement signed by the parties in 1998, which was entered into in order to facilitate co-operative development of the overlapping mineral interests of Suncor and Birch Mountain.

Mineral Exploration Division

Under the Tailings Agreement, Birch Mountain has the exclusive right to extract and recover precious metals from froth treatment tailings that are produced as a residual by-product of oil sands processing, subject to demonstrating the commercial feasibility of precious metal recovery from the tailings within five years. Currently, Suncor produces approximately 8,000 tons per day of froth treatment tailings. Birch Mountain will pay all costs including the costs of developing and refining technology for extracting precious metals from Suncor's tailings, pilot studies, independent technical and economic verification, and engineering and construction costs. Upon commencement of production, Birch Mountain will receive 85% of the net production revenue ("NPR") until payout of capital costs, at which time NPR will be shared equally by Suncor and Birch Mountain.

Mineral Technology Division

Having secured rights to the precious metals contained in Suncor's froth treatment tailings, Birch Mountain will initiate studies to determine their precious metal potential. This work will involve in-house customization of Birch Mountain's technology for the recovery of natural nanoparticulate metals and extension of work underway at third party laboratories.

Birch Mountain believes that precious metal mineralization of the Cretaceous age oil sands is consistent with the Prairie Gold Model and notes that precious metal microparticles in Cretaceous age sandstones from Athabasca have been reported by government and academic researchers. A 1996 study published by the Alberta Chamber of Resources reported trace to anomalous (defined as greater than 10 ppb) concentrations of gold, platinum and palladium in some samples of Suncor's froth treatment tailings by conventional fire assay. Birch Mountain believes that there is a possibility that precious metals may be present in the froth treatment tailings in concentrations exceeding those detected in routine application of conventional fire assay, for reasons detailed in its news release of March 7, 2002.

Industrial Mineral Division

The Limestone Agreement replaces a previous agreement allowing Suncor to excavate limestone from a small area of Birch Mountain's mineral leases. Under the Limestone Agreement, Suncor will pay Birch Mountain $250,000 for limestone used and allow Birch Mountain to excavate and remove up to 500,000 tonnes of limestone per year from its mineral leases within the area of Suncor's current Steepbank and Millennium mines, subject to certain operational constraints. Suncor is granted unrestricted access to limestone from Birch Mountain's mineral leases for its own use, except in areas where Birch Mountain provides prior notification that the limestone contains commercial grades and quantities of precious metals or other minerals.

To evaluate current and future market opportunities for limestone from within the Suncor mines and from other sources on the company's mineral leases, Birch Mountain is actively participating in the Aggregate Management Committee ("AMC") of the Fort McMurray Regional Issues Working Group. The AMC is currently undertaking an evaluation of the requirements for and sources of aggregate needed to construct new oil sands projects and associated infrastructure in the region.

Item 6 - Reliance on Section 146(2) of the Securities Act (Alberta) or Section 85(2) of the Securities Act (British Columbia)

Not applicable.

Item 7 - Omitted Information

Not applicable.

Item 8 - Senior Officer

The name of a Senior Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

Donald L. Dabbs, Vice-President and Chief Financial Officer, telephone (403) 262-1838.

Item 9 - Statement of a Senior Officer

The foregoing accurately discloses the material change referred to in this report.

DATED at Calgary, Alberta, this 27th day of September, 2002.

Yours truly,

BIRCH MOUNTAIN RESOURCES LTD.

Per: *"Douglas J. Rowe"*
Douglas J. Rowe
President and CEO