

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE *SECURITIES ACT* (ONTARIO)

1. Reporting Issuer

NAR Resources Ltd. (the "Corporation")
372 Bay Street, Suite 408
Toronto, Ontario
M5H 2W9

2. Date of Material Changes

November 7, 2000 and November 8, 2000

3. Press Releases

The Corporation issued press releases announcing the material changes on November 7, 2000 and November 8, 2000 via Canada Newswire.

4. Summary of Material Changes

See Full Description.

5. Full Description of Material Changes

The Director of Metallurgy for the Corporation, James W. Reeves announced on November 7, 2000 that recent metallurgical test work conducted by TZ Technology Pty Ltd. ("TZT") of Perth, Australia, has achieved better than anticipated preliminary results on the recoverability of economic minerals from the Corporation's Titanium Bearing Heavy Mineral Sands Project located near Truro, Nova Scotia, Canada.

A preliminary bulk heavy mineral concentrate containing 20% TiO₂ was recovered from the deposit and based on prior microprobe analysis indications are that it should be possible to produce concentrates >58% TiO₂ (chloride grade) as well as other concentrates >50% (slag and/or sulfate grade). The aforementioned grades represent acceptable industry standards for TIO₂ feedstock material.

The Corporation and Titanium Corporation of Canada Ltd. are currently in the process of developing and evaluating a metallurgical flow sheet by combining conventional processing equipment with the TZT Trical Process, which has been successful in producing ilmenite products of superior quality to those obtainable by conventional separation processes.

Metallurgical test work will continue over the next several months and should optimize product recoveries. The next series of tests will also include optimizing electrostatic separation techniques for the recovery of garnet, zircon and rutile recoveries.

The Chairman of the Corporation, George D. Elliott announced on November 8, 2000 that recent drilling has identified a new mineralized high-grade zone at the Corporation's Titanium Bearing Heavy Mineral Sands Project located near Truro, Nova Scotia, Canada. This new discovery, the *Southern Extension*, lies south of sand bars that were previously tested in the 1998-99 shallow drill

campaign. The *Southern Extension* measures approximately 2 kilometers in length and up to 250 meters in width. The field crew has reported that drill depths in the *Southern Extension* range from 6.5-8.5 meters (20-25 ft). Due to this new discovery, the Company has extended the current drill program until November 12, 2000.

To date fifty-three holes have been successfully drilled with depths reaching up to 17 meters (50 feet). The drill program has covered a strike length of 28 kilometers (17.5 miles). Management is satisfied that the indicated thickness of the deposit is consistent with the results from the previously completed seismic survey conducted by Canadian Seabed Research (see August 23, 2000 press release).

Upon completion of each drill hole, cores are logged, split and prepared for assay. Analysis is being conducted at the Technical University of Nova Scotia (TUNS). Half of the core is kept for future archival reference. Assay results are anticipated in the near term.

Once assaying is complete, the new results will be compiled with the previously completed 395 shallow drill holes and the seismic survey to establish an independent engineering report and a tonnage calculation.

6. Reliance on Section 75(3) of the Act:

This report is not being filed on a confidential basis.

7. Omitted Information

No information has been omitted from this material change report.

8. Senior Officers

George Elliott
Chairman of the Board
Telephone: (416) 862-3636

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 10th day of November, 2000.

NAR RESOURCES LTD.

By: "George Elliott"

George Elliott
Chairman of the Board