

Material Change Report

Item 1 Reporting Issuer

Cassiar Magnesium Inc.
777 Bay Street, Suite 1910
Toronto, Ontario
M5G 2C8

Item 2 Date of Material Change

June 12, 2001

Item 3 Press Release

A press release with respect to the material change described herein was issued on June 12, 2001 via Canada NewsWire and filed on SEDAR.

Item 4 Summary of Material Change

In accordance with shareholder wishes, the board of directors of Cassiar Magnesium Inc. (the “Company”) waived the application of the Company’s Shareholder Rights Plan to the recent acquisition of control of the Company by Greyling Investments Inc. and Greyling Resources L.L.C.

Item 5 Full Description of Material Change

Same as Item 4.

Item 6 Reliance on Confidentiality Provisions

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Senior Officers

For further information contact Michael Burns at 416-204-1455.

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario, this 22 day of June, 2001.

CASSIAR MAGNESIUM INC.

"Michael Burns"
By: Michael Burns
Chairman