This is the form of a material change report required under Section 67(1) of the Securities Act.

FORM 27

BRITISH COLUMBIA SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 67(1) OF THE ACT

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

NOTE: Every report required to be filed under Section 67(1) of the Act shall be sent to the Commission in an envelope addressed to the Commission and marked "Continuous Disclosure".

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 67", AND EVERYTHING THAT IS REQUIRED TO BE FILED SHALL BE PLACED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL".

Item 1. Reporting Issuer

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

Madoc Mining Company Ltd.
Suite 1500 - 885 West Georgia Street
Vancouver, B.C.
V6C 3E8

Item 2. Date of Material Change

August 20, 1997

Item 3. Press Release

The Press Release dated August 20, 1997 was forwarded to the Vancouver Stock Exchange and disseminated via Canada Stockwatch, George Cross Newsletter and Market News.

A copy of the Press Release is attached hereto.

Item 4. Summary of Material Change

See press release attached hereto.

Item 5. Full Description of Material Change

Supplement the summary required under item 4 with the disclosure which should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also item 7.

The description of the significant facts relating to the material change will therefore include some or all of the following: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the reporting issuer or its subsidiaries. Specific financial forecasts would not normally be required to comply with this form.

The above list merely described examples of some of the facts which may be significant. The list is not intended to be inclusive or exhaustive of the information required in any particular situation.

For a full description of the material change, see the attached Press Release.

Item 6. Reliance on Section 67(2) of the Act

If the report is being filed on a confidential basis in reliance of Section 67(2) of the Act, state the reasons for such reliance.

INSTRUCTION:

Refer to Section 67(3) of the Act concerning continuing obligations in respect of reports filed pursuant to this subsection.

Not Applicable.

Item 7. Omitted Information

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but s. 67(3) of the Act will no longer be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material change report should remain confidential and not be disclosed or not be disclosed in full detail in the material change report.

State whether any information has been omitted on this basis and provide the reasons for any such omission in sufficient detail to permit the Commission to exercise its discretion pursuant to s. 151(3) of the Act.

The reasons for the omission may be contained in a separate letter filed as provided in section 146 of the Regulation.

Not Applicable.

Item 8. Senior Officers

The following Senior Officer of the Company is available to answer questions regarding this report:

John Proust
President & Director
(604) 895-7450

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, B.C., as of the 20th day of August, 1997.

MADOC MINING COMPANY LTD.

Per:

"John Proust"

JOHN PROUST,
President & Director

Madoc Mining Company Ltd.
Suite 1500 - 885 West Georgia Street
Vancouver, British Columbia,
Canada, V6C 3E8
Tel: (604) 684 7442
Fax: (604) 488 0319

August 20, 1997

VANCOUVER STOCK EXCHANGE
TRADE SYMBOL: XMX

Madoc Mining Company Ltd. ("the Company") is pleased to announce that it has been granted, under two separate written agreements, an exclusive right of first refusal to option the Silver Bell Property and the Lawson Property located in north central Washington State. The Silver Bell property consists of one mining lease, and the Lawson property, which is contiguous to the Silver Bell property, consists of five patented lode claims and forty-eight unpatented lode claims.

The properties, which include two old producing mines, form part of the Bodie-Sheriden belt of silver-gold mines in the north central Washington State, USA. The deposit lies in the southwestern part of a recognized, extensive northeasterly trending mineral belt. The property encompasses a complex system of sub-parallel precious metal bearing quartz veins, siliceous shear zones and breccia deposits which form a mineralized belt about one half mile wide and over one mile long.

Present geological and geophysical interpretation strongly suggests the potential for massive sulfide, contact metamorphic mineralization at depth. Two major exploration targets exist on the property, differing in both the nature of the mineralization and in the stage of exploration of the targets

Each right of first refusal cost the company $1000 and will expire on September 7, 1997. Under the terms of the rights of first refusal, the Company can option the two properties on the following terms:

<u>Silver Bell Property</u>

The Company can take up an option to acquire a 100% undivided interest in the property. In order to earn the interest, Madoc would have to pay to the vender the sum of US$340,000, less the $1000 right of first refusal deposit by making US$10,000 payments on August 1st of each year, beginning in 1997, and by paying the sum of US$300,000 on the 4th anniversary of the date of the option agreement. In addition, the Company would have to pay the annual property taxes of US$1150.

<u>Lawson Property</u>

The Company can take up an option to acquire a 100% undivided interest in the property. In order to earn the interest, Madoc would have to pay to the vender the sum of US$252,500, less the $1000 right of first refusal deposit, by paying US$2500 upon execution of the option agreement, and US$250,000 on the 4th anniversary of the date of the option agreement. In addition, the Company would have to pay the annual property taxes of US$6300.

The foregoing is subject to regulatory approval.

On behalf of the Board of Directors

"John Proust"

John Proust
President