

MATERIAL CHANGE REPORT

Form 51 – 102F3

Item 1 Name and Address of Company

CMC METALS LTD.
Suite 205 – 369 Terminal Avenue
Vancouver, BC V6A 4C4

Item 2 Date of Material Change

August 9, 2006

Item 3 News Release

The Company's News Release dated August 9, 2006, was filed with the TSX Venture Exchange and the British Columbia and Alberta Securities Commissions via SEDAR and disseminated through Canada Stockwatch and various other approved public media.

Item 4 Summary of Material Change

Regulatory acceptance having been received on July 14, 2006, the Company has closed its non brokered private placement announced April 25, 2006. The Company raised \$350,000 through the issuance of 1,000,000 common shares at \$0.35 per Unit, each Unit consisting of one common share and one non-transferable share purchase warrant exercisable at \$0.50 per share for a twelve month period expiring July 31, 2006.

Item 5 Full Description of Material Change

A total of \$350,000 was raised through the sale of 1,000,000 Units, at a price of \$0.35 per Unit. Each Unit consists of one common share (a "Share") issuable at \$0.35 per share, and one non-transferable share purchase warrant. Each warrant is exercisable to acquire one common share at a price of \$0.50 until close of business, Vancouver time, on July 31, 2007. The Shares forming part of the Units and any shares issued on exercise of the warrants are subject to a four month hold period which expires at the close of business on November 30, 2006. There is a finder's fee payable to Bolder Investment Partners, Ltd. of Vancouver, BC, of \$1,750.00, being 5% of the total funds raised using their efforts.

Proceeds will be used for general working capital.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

For further information please contact:

Donald W. Wedman, President and CEO

Tel: (604) 637-4673

Email: cmcmetals@shaw.ca

Item 9 Date of Report

This Material Change Report is dated August 9, 2006.

CMC METALS LTD.

Per: “Michael C. Scholz”

Michael C. Scholz, Director and CFO