BC FORM 51-102F3

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE B.C. *SECURITIES ACT* AND 118(1) OF THE ALBERTA *SECURITIES ACT*

Item 1. **Name and Address of Company**

Garibaldi Granite Corp.
604 - 750 West Pender Street
Vancouver, BC V6C 2T7

Item 2. **Date of Material Change**

September 27, 2004

Item 3. **News Release**

News Release dated September 27, 2004 and disseminated to the Vancouver Stockwatch Magazine, B.C. Securities Commission, Alberta Securities Commission and Market News Publishing.

Place of Issuance: Vancouver, British Columbia.

Item 4. **Summary of Material Change**

The Issuer provides an update on its financing activities and a development plan for its property.

Item 5. **Full Description of Material Change**

Financing Update

The Issuer, a mining and exploration company with a current focus on the exploration, quarrying, processing and distribution of industrial minerals, is pleased to announce that it is in the final stages of completing its private placement and settlement of debts for shares announced respectively in June and July. The Issuer's shareholders, at the Annual General Meeting held August 17, 2004, approved the change of control that will result from the debt settlement and private placement transactions and the TSX Venture Exchange has issued conditional approval to the transactions. Final filings are in process.

On closing these transactions, the Issuer's working capital deficit will be eliminated and the Company will have a positive working capital balance in the order of

$112,000.

Development Plans

With the proceeds from the financing, the Issuer plans to re-open its Pedro Black Quarry (the "Quarry"), located near Grand Forks, B.C., which was initially operated by the Company in the mid 1990's.

The Issuer holds all permits necessary to place the Quarry back in production and has permission from the tree farm license holder to access the Quarry over the forestry roads in its license area. The Forest Ministry has placed a 10,000 lb. load restriction on the road until three major culverts under the road are repaired. The license holder estimates that the repairs may be completed by the end of October, however, a third party has conduct of the repairs and, at this point, there can be no certainty as to when they will be completed.

The Issuer owns, or can rent, in Grand Forks, all equipment necessary to place the property into production and will move onto the property all necessary equipment to conduct the clean-up and to blast and prepare the first walls of stone for pull down. The Issuer is targeting to commence this stage of the operations in the middle of October in order to be ready to commence production at the beginning of November, if the road repairs are completed. Pulling down the stone walls after blasting for further cutting into blocks and loading for transport requires the Issuer's excavator which exceeds the road's current load limit.

Assuming the road is ready, the Issuer plans to commence production at the beginning of November and run until the end of January, when it will shut down for the winter. Operations would recommence in mid-May, once the roads have adequately firmed up following the spring thaw.

The Issuer estimates that operations will cost in the order of $13,000 per month and that a two-man crew will be able to produce monthly stone blocks having a market value in the order of $69,000. With the current active construction climate in B.C, management understands that there is a ready market for any blocks of stone that the Issuer produces. Currently, the blocks from the Quarry will grade as 2nd and 3rd class blocks due to fractures, intrusions, quartz veining and colouration. The grade of blocks will improve at greater depth in the Quarry. The Issuer estimates that they should reach stone that would generate first class blocks, and yield a higher market price, by the middle of next year. The Issuer notes that at the start-up, sales may lag production as the Issuer will be entering the market at the onset of winter and the stone produced would be used primarily in exterior applications. The Issuer's current working capital, however, is more than adequate to fund the proposed initial operations even without any revenue from the sale of blocks. Once sales revenue picks up, the Issuer plans to expand operations to increase production.

The Issuer, on an on-going basis, plans to assess other mineral property interests that may be presented to them from time to time for acquisition with the view to possible diversification of its mineral holdings and adding value to the Issuer.

Risk Factors

As mentioned above, the greatest risk to the Issuer not being able to proceed with its plans is if the road is not repaired in the projected time frame. Without being able to move the excavator onto the property, or blocks of stone off the property, the production plans will be frustrated. The Issuer has a planned exploration program, should the road repairs not be completed (see "Exploration Program" below). There is also the risk that severely dry weather could cause the shut down of operations due to the forest fire hazard, however, that is not expected to be an issue at this time of year.

Exploration Program

An evaluation report completed by the Issuer's independent engineering consultant on the Pedro Black property in August, 1995, identified two other deposits of granite on the claims. One deposit is of a medium grained light pink/gray granite and the other is a bright yellow and silver/white granite (known as midnight snow). Both deposits require further exploration in the form of sample drilling and blasting to determine if these deposits could be developed into additional quarries. It would be beneficial to have a variety of product to offer the market.

Should for any reason the access road to the Pedro Black Quarry not be upgraded by the beginning of November to allow the delivery of the excavator to the site and the removal of stone blocks, the Issuer plans to have its crew conduct the exploration work proposed for the two other deposits. This would involve the same people and equipment and the same monthly cost. If production operations cannot be commenced, the Issuer plans to incur in the order of $50,000 in exploration and development of the other identified deposits on its property over the next six months.

Should the road repairs be completed in a timely manner, the Issuer will defer the exploration program until next summer, when additional cash flows should be available to cover the costs.

Caution: Forward-Looking Statements

This notice contains forward-looking statements including but not limited to comments regarding the timing and content of upcoming operation and exploration plans, geological interpretations, potential mineral recovery processes and the costs thereof and revenues there from. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.

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

The Issuer is not relying on Subsection 7.1(2) or (3) of National Instrument 51-102.

Item 7. Omitted Information

There is no omitted information.

Item 8. Executive Officer

Barrie Di Castri, Chief Financial Officer - (604) 340-7181.

Item 9. Date of Report

Dated at the City of Vancouver, in the Province of British Columbia, this 5th day of October, 2004.

"Barrie Di Castri"
Barrie Di Castri, CFO