**FORM 27**
**SECURITIES ACT**

**MATERIAL CHANGE REPORT UNDER SECTION 118**
**OF THE SECURITIES ACT**

**ITEM 1** **Reporting Issuer:**

Gallery Resources Limited
1520, 700 West Pender Street
Vancouver, BC
V6C 1G8

**ITEM 2** **Date of Material Changes:**

July 9, 2003.

**ITEM 3** **Filing of Material Change Report with The TSX Venture Exchange:**

News Release dated July 9, 2003, was transmitted by Canada Stockwatch on July 9, 2003 and a Material Change Report will be filed with the TSX Venture Exchange on July 14, 2003 by SEDAR.

**ITEM 4 & 5** **Summary and Full Description of Material Changes:**

See attached News Release dated July 9, 2003.

**ITEM 6** **Reliance on Section 118(2) of the Securities Act:**

Section 118(2) is not being relied upon.

**ITEM 7** **Senior Officers:**

Mr. Bruce Costerd, President
Telephone: (604) 662-8119

**ITEM 8** **Statement of Senior Officer:**

The foregoing accurately discloses the Material Changes referred to herein.

Dated this 14th day of July, 2003.

*"Richard Haderer" (signed)*
Richard Haderer
Secretary and director

***GALLERY RESOURCES LIMITED***
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***Vancouver, B.C. V6C 1G8***
***Telephone: (604) 662-8119; Facsimile (604) 662-8616***
***Canada & U.S.A. Toll Free: 1-800-565-7350***
***Web Site Address;*** http://www.gallery-gold.com ***Email Address: info@gallery-gold.com***

***Trading Symbol: GYR – TSX.V***

**For Immediate Release:**
**July 9, 2003**

**High Grade Gold Discovered At Katie Project**

Gallery Resources Limited (GYR:TSX.V) of Vancouver, B.C. is pleased to announce a new discovery of high-grade gold mineralization on its Katie Project in central Newfoundland. Six (6) samples from a 30 metre (100 ft) section of large (up to 2 metres) angular boulders, interpreted to be sub-outcrop (close to bedrock source), have encountered consistent gold mineralization grading up to 16.7 g/t (0.51 oz/t).

The Mystery Pond Gold Zone is a zone of pyrite and arsenopyrite mineralized, intense silica alteration and quartz veining also exposed in outcrop at the south end of Mystery Pond. This extensive zone was first discovered in 2002, when sampling of outcrop returned gold assays up to 0.18 g/t gold. The large boulders containing the high-grade mineralization are similar to the mineralized alteration zone first seen in outcrop 800 metres (½ mile) south of the new high-grade discovery.

The high grade gold was discovered while carrying out a recent Mobile Metal Ion (MMI) soil sampling survey of the area, selected because of the 2002 discovery of gold mineralization in outcrop. The MMI survey has also encountered highly anomalous gold in soils, which is a further indication of high-grade gold mineralization in this area.

The Mystery Pond Gold Zone shows good potential for significant strike length up to at least 4 kms based on results from earlier work programs. These results include a pyrite-arsenopyrite mineralized outcrop located in a bog 1.6 kms north, discovered by Rio Algom in 1986, which was never investigated. This area is also highlighted as a large (1 x 0.7 km) coincident gold and arsenic (arsenopyrite is rich in arsenic) soil anomaly detected by BHP Minerals during a 1992 regional survey. In 2001, 1.4 kms south of Mystery Pond, Gallery prospectors encountered gold mineralization ranging up to 0.65 g/t gold in boulders similar to the Mystery Pond Zone and high arsenic ranging up to 0.22% in soils. Also, an airborne electromagnetic (AEM) survey completed in 1982 show a set of parallel AEM conductors corresponding to the Mystery Pond sulphide mineralization with a strike length of 2 kms. (The pyrite and arsenopyrite mineralization containing the gold at the Mystery Pond Zone is of sufficient concentration to produce the AEM conductors).

The Mystery Pond gold mineralization and its potential strike length is also regarded as a significant discovery because it is situated along a major structure, which can be traced for 20 kms through the Katie Property. This structure, defined by a distinct magnetic trend outlined by a government regional magnetic survey, is the site for other well-established gold and base metal (zinc-copper-lead) prospects and showings on the property. To date, these prospects include the Black Bart, McDonald, Bruce Pond Epithermal and Tall Tree Gold and VMS zones all of which contain drill indicated, significant mineralization and silica alteration.

During the next few weeks the Company will be focusing its exploration efforts at the Mystery Pond Zone to identify new drill targets in the area of the surface exposed gold mineralization. Gallery Resources invites you to visit its website at www.gallery-gold.com for up-to-date information on the new Mystery Pond Gold Zone and other highlights of a major research compilation just completed on this important property in the Botwood Basin.

"Bruce Costerd"
President & C.E.O.

**FOR MORE INFORMATION, PLEASE CONTACT INVESTOR RELATIONS:**
**TOLL-FREE, CANADA & USA: 1-800-565-7350.**