

FORM 51-102F3  
**MATERIAL CHANGE REPORT**

**SECURITIES ACT (ALBERTA)**  
**SECURITIES ACT (BRITISH COLUMBIA)**  
**SECURITIES ACT (SASKATCHEWAN)**

**ITEM 1 Reporting Issuer:**

Winalta Inc.  
26302 Twp. Rd. 531A  
Spruce Grove, Alberta  
T7X 3G3

**ITEM 2 Date of Material Change:**

December 10, 2004

**ITEM 3 News Release:**

A News Release was issued through CCN/Matthews on December 10, 2004

**ITEM 4 Summary of Material Change:**

Winalta Inc. ("Winalta") had announced on February 20, 2004, that it had signed a Letter of Intent with Maclab Enterprises ("Maclab") to sell manufactured homes exclusively into Aspen Creek, a 220-lot manufactured home community in Leduc, Alberta. On December 10, 2004, Winalta announced that since then it had signed a formal agreement with Maclab in respect of the Project.

Winalta also announced that, pursuant to TSX guidelines (National policy statement 48-exchange disclosure policies), it wished to retract previous statements, which included budgeted sales for Sylvan Lake and Stony Plain projects. Winalta was unaware that policy 48 restricts corporations from providing investors with budgeted sales figures and apologized for this error.

**ITEM 5 Full Description of Material Change:**

Winalta Inc. ("Winalta") announced on December 10, 2004, that it had signed a formal agreement with Maclab Enterprises ("Maclab") to sell manufactured homes exclusively into Aspen Creek, a 220-lot manufactured home community in Leduc, Alberta being developed by Maclab. Winalta had announced on February 20, 2004, that it had signed a Letter of Intent with Maclab in respect of the project. Since then, the formal agreement with Maclab has been concluded and all municipal approvals are now in place. Mr. James A. Sapara, Chairman and CEO, advised that Maclab has been working diligently on the land development since summer and the parties are targeting the first quarter of 2005 for the commencement of delivery of manufactured homes to the project.

Winalta also announced on December 10, 2004, that, pursuant to TSX guidelines (National policy statement 48-exchange disclosure policies), Winalta wished to retract previous statements, which included budgeted sales figures for its Sylvan Lake and Stony Plain projects. The Company was unaware that policy 48 restricts corporations from providing investors with budgeted sales figures and apologized for this error.

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

Not applicable.

**ITEM 7 Omitted Information:**

Not applicable.

**ITEM 8 Executive Officer:**

BLAIR HALLIDAY, the President and Chief Operating Officer of Winalta Inc., may be contacted further in connection with this Material Change Report at (780) 960 - 6900.

**ITEM 9 Statement of Executive Officer:**

The foregoing accurately discloses the Material Change referred to in this report.

Dated at Spruce Grove, Alberta this 20<sup>th</sup> day of December, 2004.

Per: "James A. Sapara"  
JAMES A. SAPARA, Chairman