MATERIAL CHANGE REPORT

BC FORM 53-901F
Under Section 85(1) of the British Columbia Securities Act

FORM 27
Under Section 118(1) of the Alberta Securities Act

1. Reporting Issuer

C Squared Developments Inc. (the "Company")
735 – 1489 Marine Drive
West Vancouver, B.C. V7T 1B8

Telephone: (604) 913-0613

2. Date of Material Change

December 19, 2002

3. Press Release

A news release was issued on December 19, 2002, and disseminated through the facilities of Canada Stockwatch and Market News.

4. Summary of Material Change(s)

The Company is providing an update on its Qin Ling Gold Project, Henan Province, People's Republic of China. The Company has also closed its private placement of 1,000,000 units.

5. Full Description of Material Change(s)

See attached news release.

6. Reliance on Section 85(2) of the Act (British Columbia)

Not Applicable

7. Omitted Information

Not Applicable

8. Senior Officer

Jonathan George
Telephone: (604) 913-0613

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia, this 19th day of December, 2002.

C SQUARED DEVELOPMENTS INC.
Per:

"Jonathan George"

Jonathan George, President

C SQUARED DEVELOPMENTS INC.

735 – 1489 MARINE DRIVE
WEST VANCOUVER, B.C. V7T 1B8
tel. (604) 913-0613
fax (604) 913-0628

DECEMBER 19, 2002
NEWS RELEASE 00-10
TRADING SYMBOL SQD.V
SEC 12g3-2(b) #82-1756

The Company wishes to provide the following update on the Qin Ling Gold Project, located in Henan Province, People's Republic of China.

The project is the subject of an agreement between Terrawest Management Inc. and Qin Ling Gold Mine. C Squared has entered into an agreement to purchase 100% of Terrawest, as described in its October 15, 2002 news release.

Two veins, #60 and #9, are the most significant past producers in the project area, with reported production of over 1 million ounces of gold. Management of Qin Ling Gold Mine believes this represents only half of the actual production from the property, with the remaining being accounted for by (a) direct shipment of high grade ore to the smelter; and (b) unreported production from illegal mining operations.

The #60 vein has been mined continuously over a strike length of 3 kilometres through a vertical range from 2200 – 1660 metres above sea level. Recently, an internal shaft and modern hoist system was completed to access ore below 1660 metres. A 464 metre crosscut driven from the shaft at the 1340 metre level intersected the #60 vein last week, and Qin Ling Gold Mine's management is presently evaluating this new area of the vein.

Based on past drilling and mining, the indicated and inferred ore reserves on vein #60 below 1660 metres are estimated to be 3,978,400 tonnes grading 8.9 g/t Au for a total of 35,448,000 grams gold (1,139,556 ounces of gold). No estimation of associated silver grades has been obtained. These estimates were derived from an internal document provided to us by the management of Qin Ling Gold Mine, and have been corroborated by an independent geological consultant retained by the Company.

Information on vein #9 is presently being compiled, and will be released when available.

The Company further announces that it has closed its private placement of 1,000,000 units at a price of $0.20 per unit as announced on October 31, 2002. The hold period of the common shares and share purchase warrants issued under the private placement will expire on April 18, 2003.

ON BEHALF OF THE BOARD OF
C SQUARED DEVELOPMENTS INC.

"Jonathan George"

Jonathan George, President

This press release contains certain "forward-looking statements" that involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.