

FORM 51-901F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

NORTHERN HEMISPHERE DEVELOPMENT CORP.
#1500 – 675 West Hastings Street
Vancouver, B.C. V6B 1N2

2. Date of Material Change

June 7, 2004

3. Press Release

The news release announcing this material change is April 16, 2004.

4. Summary of Material Change

Company issues 1,059,333 units as a result of a private placement which closed on June 7, 2004.

5. Full Description of Material Change

The Company closed the private placement announced on April 16, 2004 and issued a total of 1,059,333 units, each unit consisting of one common share of Company and 1.2 of one non-transferable share purchase warrant, each one whole warrant entitling the holder to purchase one further share of the Company (for a total of 529,666 warrant shares), at the exercise price of \$0.20 per share for a period of one year from June 7, 2004. Proceeds of \$158,900 was received by the Company which are to be used on the Company's Kaza-Northstar property. All units sold contain flow-through benefits to the purchasers.

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

N/A

7. Omitted Information

N/A

8. Executive Officers

J. Frank Callaghan, the Chief Executive Officer of the Company is knowledgeable about the the information contained in this report and can be contacted at (604) 669-6463

9. Date of Report

This report is dated August 23, 2004.

