

FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1 – NAME AND ADDRESS OF COMPANY

Geostar Metals Inc. (the “Company”)
Suite 502-543 Granville Street
Vancouver, British Columbia
V6C 1X8

ITEM 2 – DATE OF MATERIAL CHANGE

October 30, 2006

ITEM 3 – NEWS RELEASE

The press release was issued October 30, 2006 over CCN Matthews.

ITEM 4 – SUMMARY OF MATERIAL CHANGE

- (a) William W. Daily has been appointed Director and Chairman of the Board of the Company.
- (b) Derek Cochrane has been appointed Executive Vice President of the Company.
- (c) The Company has agreed to acquire 0772908 B.C. Ltd. from Mr. Daily.
- (d) Michael Reimann has resigned as President and CEO of the Company. Neil Halldorson has been appointed President and CEO of the Company.
- (e) Geostar has granted 850,000 stock options.

ITEM 5 – FULL DESCRIPTION OF MATERIAL CHANGE

See News Release attached.

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

Neil Halldorson, President and Chief Executive Officer (business telephone number: (604) 669-4899), is the officer of the Company knowledgeable about the details of this material change report.

ITEM 9 – DATE OF REPORT

DATED at Vancouver, B.C. the 31st day of October, 2006.



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FOR IMMEDIATE RELEASE NEWS RELEASE TSX-V SYMBOL- GOS

**WILLIAM W. DAILY JOINS GEOSTAR BOARD
DEREK F. COCHRANE APPOINTED EXECUTIVE VICE-PRESIDENT
THOMASSON PARTNER ASSOCIATES AGREEMENT
CHANGE OF MANAGEMENT**

October 30, 2006 - Geostar Metals Inc. (the "Corporation"), a Vancouver-based merchant banking company, is pleased to announce the appointment of Mr. William W. Daily as a Director and Chairman of the Board and Mr. Derek Cochrane as Executive Vice-President.

Mr. Daily rapidly rose through the ranks during a 20-year career at ARCO, in engineering and then in executive management. He was most recently a Director of Nelson Resources Ltd. and Director General of Kazakhoil-Aktobe (KOA), a Limited Liability Partnership owned 50/50 by Nelson Resources and the Kazakh National Oil Company. There he led the initial commercial development of the Alibekmola and Kozashai onshore oil fields where his team tripled production in less than a year to an average of 30,000 BOPD. Nelson was ultimately sold to Lukoil for \$2 billion US. Mr. Daily has more than 30 years experience in executive management, global business development, and operations of oil and gas businesses. Mr. Daily has a BS in Petroleum Engineering from Montana Tech and was recently named a Distinguished Alumnus of that university.

Mr. Cochrane is an international oil and gas executive who most recently lead the development of a \$1 billion gas joint venture. Between 1981 and 2003, he was a Senior Executive with British Petroleum and from 1999 to 2001 he served as Vice-President Strategy and Business Development for Sidanco, Russia's 3rd largest vertically integrated oil company. Mr. Cochrane has a B.Sc. in Mechanical Engineering and began his career as a senior drilling engineer for BP Exploration, serving in UKCS, China, Egypt and Australia.

In connection with the engagement of Mr. Daily, Geostar is pleased to announce it has agreed to acquire, subject to TSX Venture Exchange acceptance, 0772908 BC Ltd. ("0772908") a company owned by Mr. Daily for 250,000 shares of Geostar. The principal asset of 0772908 is an agreement with Thomasson Partner Associates, Inc. ("TPA") whereby 0772908 has the exclusive right to all TPA generated projects and prospects on a first and priority basis, and to have first choice of all projects and prospects generated and marketed through TPA. In addition, TPA will provide ongoing geological and geophysical support for purchased projects and consultancy for non-TPA projects and prospects as requested. In consideration, 0772908 is to pay TPA an annual fee of US\$600,000 in three instalments. Under the terms of the TPA agreement, 0772908 has agreed to acquire six initial projects for US\$1,100,000 of which US\$625,000 is payable subject to signing a final agreement with TPA no later than December 31, 2006.

TPA has spent the last fifteen years establishing a reputation within the industry for providing technically solid oil and gas opportunities. Since inception in 1991, TPA has turned over approximately 80 projects to industry partners that have resulted in 394 wells being drilled of which 319 were successfully completed. TPA is headed by founder Dr. M. Ray Thomasson whose career has included distinguished positions including Head of Strategic Studies for Royal Dutch Shell Group and Chief Geologist at Shell Oil Company. In addition, he has held the position of President of the American Association of Petroleum Geologists and President of the American Geological Institute.

After having served Geostar for 11 years as CEO, Michael Reimann is stepping down to devote more time to other business interests. Mr. Reimann is committed to seeing Geostar evolve as a successful merchant bank and will remain active in the affairs of the Company and will continue to serve as a member of the board. Neil Halldorson, currently VP of Finance and CFO, will assume the position of President and CEO of Geostar.

Geostar also announces the grant of up to 850,000 stock options with an exercise price to be set in accordance with TSXV policy. The grant of stock options is being made under the terms of the Company's stock option plan to be submitted to the shareholders for approval at Geostar's upcoming Annual General Meeting to be held December 29, 2006.

GEOSTAR METALS INC.

Neil Halldorson

President & CEO

Completion of the announced transactions are subject to Exchange acceptance.

The TSX Venture Exchange has neither approved nor disapproved the contents of this press release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.