This is a form of a material change report required under Section 85(1) of the *Securities Act*.

FORM 27
Securities Act

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

NOTE: Every report required to be filed under Section 85(1) of the Act shall be sent to the Commission in an envelope addressed to the Commission and marked "Continuous Disclosure".

NOTE: WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS, PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS "CONFIDENTIAL - SECTION 85", AND EVERYTHING THAT IS REQUIRED TO BE FILED SHALL BE PLACED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED "CONFIDENTIAL".

Item 1. Reporting Issuer

Sand River Resources Ltd. (the "Issuer")
1650-1185 West Georgia Street
Vancouver, B.C. V6E 4E6
Telephone: (604) 899-2515

Item 2. Date of Material Change

February 2, 1999

Item 3. Press Release

Press releases were issued in Vancouver, British Columbia on December 31, 1998, January 8, 1999 February 5, 1999 and were disseminated through Stockwatch, George Cross and Market News and copies were filed with the Vancouver Stock Exchange and the British Columbia Securities Commission.

Item 4. Summary of Material Change

Public Offering by way of Exchange Offering Prospectus

On February 2, 1999, the Issuer completed a public offering of an aggregate 3,055,000 common shares at a price of $0.17 per share for total gross proceeds of $519,350.

Item 5. **Full Description of Material Change**

Public Offering by way of Exchange Offering Prospectus

On February 2, 1999, the Issuer completed a public offering (the “Offering”), through Canaccord Capital Corporation (the “Agent”), of an aggregate 3,055,000 common shares (the “Shares”) at a price of $0.17 per Share for total gross proceeds of 519,350. The Shares were offered to the public by way of an Exchange Offering Prospectus dated December 17, 1998 and having an Effective Date of December 21, 1998, as amended effective January 19, 1999 (collectively, the “Prospectus”).

The Offering was subject to a minimum subscription of sufficient Shares (being 2,941,176 Shares) to yield gross proceeds of $500,000 to the Issuer, which was met. The Agent agreed to purchase any Shares needed to attain the minimum subscription and, in consideration of the Agent’s guarantee of the minimum subscription, the Issuer issued to the Agent and certain selling groups of other investment dealers bonus warrants to purchase 15% of the minimum subscription shares, being 441,176 Common shares of the Issuer at a price of $0.17 per share until February 2, 2000 and at a price of $0.1955 until February 2, 2001.

In addition, in consideration of the Agent’s services with respect to the Offering, the Issuer paid to the Agent a cash commission of $41,548, equal to 8% of the gross proceeds of the Offering, as well as a cash administration fee of $4,280 (inclusive of GST).

The Issuer intends to use the net proceeds of the Offering and other funds available to the Issuer as disclosed in the Prospectus.

Loan by Agent and Payment of Bonus Securities

On December 24, 1998, the Agent advanced to the Issuer the sum of $150,000 by way of a loan secured by a demand promissory note and a personal guarantee of Lawrence Page, Q.C., a director and Chairman of the Board of the Issuer. The proceeds of the loan were used to pay to the vendors of the Issuer’s Macocozac Property the sum of US$100,000 in consideration of the vendors granting to the Issuer a four month extension on the due diligence period in respect of this property. The Issuer repaid the loan from the proceeds of the public offering.

In consideration of the loan, the Issuer paid to the Agent a bonus paid by the issuance of 125,000 Common shares of the Issuer at a deemed price of $0.15 per share. The distribution of these bonus shares issued to the Agent was qualified by the Prospectus.

In addition, in consideration of Mr. Page’s guarantee of the repayment of the Agent’s loan, the Issuer paid to Mr. Page a bonus paid by the issuance of 125,000 Common shares of the Issuer at a deemed price of $0.15 per share. The Issuer relied on an exemption from the registration and prospectus requirements of the *Securities Act* (British Columbia) to issue the bonus shares to Mr. Page.

Item 6. <u>Reliance on Section 85(2) of the Act</u>

Not applicable.

Item 7. <u>Omitted Information</u>

Not applicable.

Item 8. <u>Senior Officers</u>

The Senior Officer of the Issuer who is knowledgeable about the material change and the report is Dr. Gregory L. Myers, President, (702) 787-5957.

Item 9. <u>Statement of Senior Officer</u>

The foregoing accurately discloses the material change referred to herein.

Dated this 5th day of February, 1999

SAND RIVER RESOURCES LTD.

By: *"Bette J. Geddes"*

Secretary
(Official Capacity)

Bette J. Geddes
(Please print here name of individual whose signature appears above.)