MATERIAL CHANGE REPORT

Subsection 75(2) of the *Securities Act* (Ontario) and equivalent sections in the securities acts of each of the other provinces of Canada

1. **Reporting Issuer**

   Admiral Bay Resources Inc. (the "Company")

2. **Date of Material Change**

   October 16, 2003

3. **Press Release**

   A Press Release was issued in Toronto, Ontario on October 16, 2003 and subsequently filed on SEDAR.

4. **Summary of Material Change**

   See Attached Press Release.

5. **Full Description of Material Change**

   See Attached Press Release.

6. **Reliance on Subsection 75(3) of the *Securities Act* (Ontario)**

   Not applicable.

7. **Omitted Information**

   Not applicable.

8. **Senior Officer**

   For further information contact Mark Brennan, the President and CEO of the Company, at (416) 364-2266.

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 16th day of October, 2003.

ADMIRAL BAY RESOURCES INC.

Per: *(Anthony Wonnacott)*
Anthony Wonnacott
Corporate Secretary

Admiral Bay
65 Queen Street West, Suite 815
Toronto, ON M5H 2M5
Tel : 416-861-1685 Fax : 416-861-8165
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For Immediate Release **Press Release**

October 16, 2003

Admiral Bay Resources Inc. Announces Financings of Up to $6 Million

ADMIRAL BAY RESOURCES INC. (TSX Venture Exchange:ADB) announced today that it has entered into an agreement with Loewen, Ondaatje, McCutcheon Limited ("LOM") with respect to a private placement on a best efforts basis of up to 2,068,965 flow-through shares at a price of $1.45 per share for gross proceeds of up to $3,000,000 and up to 1,481,481 units at a price of $1.35 per unit for aggregate gross proceeds of up to $2,000,000. In addition, LOM has been granted an option to increase the size of the offerings by up to an additional 344,827 flow-through shares and 370,370 units at the respective issue prices for aggregate additional gross proceeds of up to $1,000,000 at any time prior to closing. Each unit shall consist of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at the price of $1.75 for a period of 18 months from the closing date.

Proceeds from the offering will be used for exploration expenditures on the Corporation's properties, and for working capital and general corporate purposes. The gross proceeds of the offering of the flow-through shares shall be used for Canadian Exploration Expenses which qualify as a Flow-Through Mining Expenditure (as such terms are defined in the *Income Tax Act* (Canada)). These offerings are subject to normal regulatory approvals. It is anticipated that closing of the offering will occur on or about November 7, 2003.

The Corporation has agreed to grant to LOM brokers warrants to acquire that number of units and common shares that is equal to up to 7% of the number of units and flow-through shares, respectively, issued pursuant to the offerings, exercisable at the respective issue prices of the units and flow-through shares. The brokers warrants will be exercisable for a period of 18 months.

Admiral Bay Resources Inc. is a Canadian exploration and development company listed on the TSX Venture Exchange.

For further information contact:

Mr. Mark Brennan
President & C.E.O.
Tel: (416) 364-2266
Toll Free: 1-877-600-6001
Email: mbrennan@admiralbay.com

Mr. Robert McIntosh
Vice President of Exploration
Tel: (604) 628-5642
Email: rmcintosh@admiralbay.com

Statements in this release that are not historical facts are "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Readers are cautioned that any such statements are not guarantees of future performance and that actual developments or results may vary materially from those in these "forward-looking statements".

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

NOT FOR DISTRIBUTION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRE SERVICES

- 30 -

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- 30 -