

MATERIAL CHANGE REPORT

S.85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)
S.118(1) OF THE SECURITIES ACT (ALBERTA)
S.84(1) OF THE SECURITIES ACT, 1988 (SASKATCHEWAN)
S.112 OF THE SECURITIES ACT (MANITOBA)
S.75(2) OF THE SECURITIES ACT (ONTARIO)
S.73 OF THE SECURITIES ACT (QUEBEC)
S.81(2) OF THE SECURITIES ACT (NOVA SCOTIA)
S.76(2) OF THE SECURITIES ACT (NEWFOUNDLAND)

1. Reporting Issuer

Geomaque Explorations Ltd. (the "Corporation")
181 University Ave.
Suite 1210
Toronto, Ont.
M5H 3M7

2. Date of Material Change

December 18, 2001

3. Press Release

A press release was issued by the Corporation on December 18, 2001. A copy of the press release is attached hereto as Schedule "A".

4. Summary of the Material Change

The Corporation announced that it reached an agreement with its principal lender, Resource Capital Fund II L.P. ("RCF") of Denver, Colorado, to complete the restructuring of its credit and security arrangements with RCF under its agreement dated June 9, 2000.

5. Full Description of Material Change

See attached press release.

6. Reliance on Provisions Applying to Confidential Filing

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officers

For further information, please contact Mei Y. Lam, Secretary and Treasurer of the Corporation, at (416) 956-7470.

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario, this 28th day of December, 2001.

GEOMAQUE EXPLORATIONS LTD.

(Signed) "Mei Y. Lam"

Name: Mei Y. Lam

Title: Secretary and Treasurer

GEOMAQUE

SCHEDULE "A": TSE Symbol: GEO
(Amounts quoted in US dollars)

For Immediate Release
December 18, 2001

Geomaque Announces Completion of Debt Restructuring and US \$1,265,000 Private Placement by Lender and Certain Major Shareholders New Board of Directors and Officers Appointed

Geomaque is pleased to announce that it has reached an agreement with its principal lender, Resource Capital Fund II L.P. of Denver, Colorado ("RCF") to complete the restructuring of its credit and security arrangements with RCF under its agreement dated June 9, 2000. The key terms of the restructuring agreement are outlined below:

Payments to RCF

- Fixed payments totaling US\$2,925,000 will be repaid quarterly over seven quarters commencing September 30, 2002.
- Payments equal to 40% available net cash flow from the Vueltas del Rio Mine, after payment of the fixed payments to RCF and Sococo (as described below) will also be made on a quarterly basis commencing with the quarter ending September 30, 2002. These payments continue until such time as RCF shall have earned an amount sufficient to realize a 40% internal rate of return on the net advances as at September 30, 2001 of \$2,925,000.
- In addition, after the satisfaction of the above amounts, RCF shall receive a 10% Net Project Cash Flow Royalty Interest on the Vueltas del Rio Mine.

Payments to Sococo de Costa Rica, S.A. ("Sococo")

Sococo provides contract mining services to Geomaque Honduras' Vueltas del Rio mine, and is currently owed \$1,685,000 for services performed prior to September 30, 2001. This amount will be paid quarterly over the 10 quarters commencing September 30, 2002.

Additional Working Capital

As part of its restructuring the Company has raised by way of a private placement of common shares an additional CDN \$1,985,000 (equivalent to US \$1,265,000) for working capital purposes as follows:

- RCF and other investors including two significant institutional shareholders (collectively the "Subscribers") have agreed to subscribe for common shares of the Company at CDN \$0.05 per share for gross proceeds of CDN \$1,985,000 or US \$1,265,000. A total of 39,700,000 common shares will be issued to the Subscribers in a private placement transaction, a portion

of which will be subject to shareholder approval. Upon approval of the TSE, Geomaque will immediately issue 8,385,888 common shares for gross proceeds of CDN \$419,294. The remaining funds will be held in escrow and 31,314,112 common shares will be issued and the funds released from escrow upon obtaining shareholder approval. It is expected that an extraordinary general meeting of shareholders to approve this private placement will be held early in February.

Board and Management Appointments

In conjunction with the completion of the Restructuring Agreement, a new Board of Directors and senior management team have been appointed.

Mr. John W. Hick will assume the role of President and CEO and become a member of the Board. Mr. Hick has held senior management positions with a number of mining companies and is a Director of several publicly-listed mining companies including Cambior Inc. and Rio Narcea Gold Mines.

Mr. Mario Caron will assume the position of Vice-President, Operations and join the Board of Directors. Mr. Caron, a mining engineer, was a Vice-President of PriceWaterhouseCoopers Securities Inc. and a former President of Eden Roc Mineral Corp.

In addition, Mr. Gordon Bogden and Mr. Bruce Higson-Smith will join the Board. Mr. Bogden is Managing Director of Beacon Group Advisors Inc., an M&A advisory group and is a former investment banking executive with Newcrest Capital Inc., N.M. Rothschild & Sons Canada Limited and CIBC Wood Gundy Securities Inc. Mr. Higson-Smith, a mining engineer, is a Vice-President of Resource Capital Funds.

Mr. Hick stated: “With the restructuring complete and the addition of new working capital the new Board and management group will be able to focus on the optimization of the Vueltas del Rio asset so that the mine can achieve its full potential and provide value to the Geomaque shareholders”.

For further information please contact:

John Hick
President and CEO
(416) 956-7470