FORM 27

Securities Act (Ontario)

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE ACT

1. **Reporting Issuer:**

   Exall Resources Limited
   8 King Street East
   Suite 1700
   Toronto, Ontario M5C 1B5

2. **Date of Material Change:**

   December 2, 2003

3. **Publication of Material Change**:

   Press Release issued December 2, 2003

4. **Summary of Material Change**:

   Exall Resources Limited (EXL : TSX) and Southern Star Resources Inc. (SSR : TSXV) announced the remaining assay results of the Discovery Zone in hole SS#7 of the Phase II drill program on the Gold Eagle Mine Property, Red Lake, Ontario. Drill hole SS#7 has encountered high grade zones over a core length in excess of 1,000 feet. Drill hole SS#7 was drilled to a depth of 2,132 feet (650 metres) from the same collar as SS#2. SS#2 was drilled to 1,033 feet (315 metres) and Southern Star has just finished deepening hole SS#2 to a depth of 2,457 feet (749 meters) and assays are pending.

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

   Please see press release dated December 2, 2003 attached hereto as Schedule “A”.

Senior Officer:

Stephen G. Roman
President
Telephone: (416) 368-3949

I, Stephen G. Roman, President, certify that the foregoing accurately discloses the material change referred to herein.

Signed at Toronto, Ontario this 11th day of December, 2003.

"Stephen G. Roman"

Stephen G. Roman, President
Exall Resources Limited

IT IS AN OFFENCE FOR A PERSON TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THIS REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.

SCHEDULE "A"

Press Release

ADDITIONAL HIGH GRADE AT SS#7

Toronto, Ontario, December 2, 2003: Exall Resources Limited (EXL : TSX) and **Southern Star Resources Inc. (SSR : TSXV)** are pleased to announce the remaining assay results of the Discovery Zone in hole SS#7 of the Phase II drill program on the Gold Eagle Mine Property, Red Lake, Ontario (the "Property"):

Discovery Zone:

Hole Number	Dip	From (feet)	To (feet)	Length (feet)	Oz / ton Au
SS#7	-70	925.51	928.89	3.38	**0.520**
AS PREVIOUSLY REPORTED					
SS#7	-70	531.5	534.0	2.5	**0.573**
	-70	701.2	703.4	2.2	**0.171**
	-70	817.6	820.0	2.4	**0.582**
	-70	1586.5	1589.1	2.6	**9.232**

SS#2 (***as previously reported***)	-45	947.3	952.2	4.9	0.297
(including)	-45	948.9	950.2	1.3	0.825

Drill hole SS#7 has encountered high grade zones over a core length in excess of 1,000 feet. Drill hole SS#7 was drilled to a depth of 2,132 feet (650 metres) from the same collar as SS#2. SS#2 was drilled to 1,033 feet (315 metres) and Southern Star has just finished deepening hole SS#2 to a depth of 2,457 feet (749 meters) and assays are pending.

Assays are also pending on SS#6, SS#8 and SS#9 and will be released upon the receipt of those complete results.

Southern Star intends to commence a multi-rig, **55,000 foot drill program** at the Property in January 2004 to:

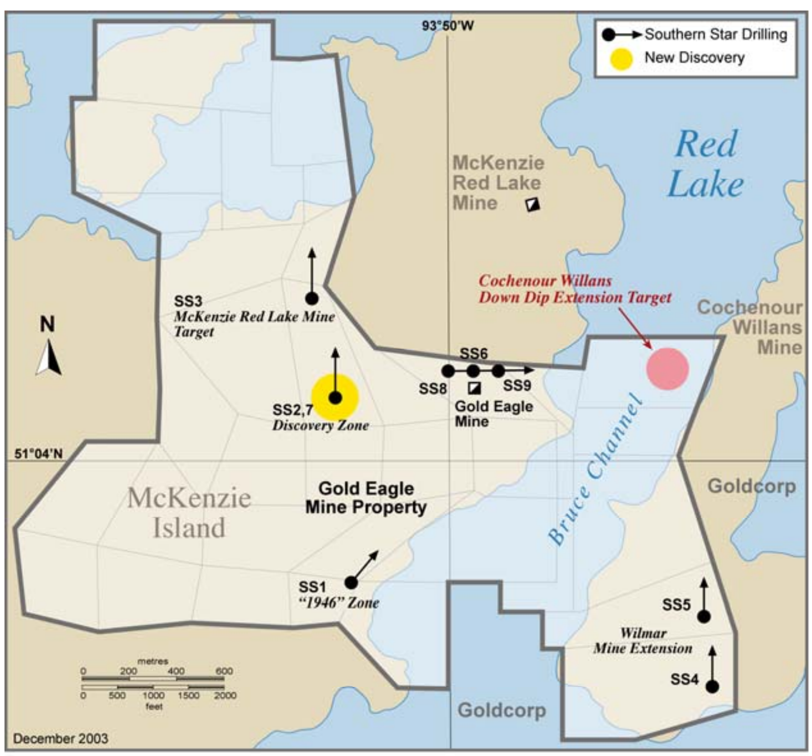
- follow up on the Discovery Zone (SS#2 and SS#7);
- explore the Cochenour Willans Mine down dip extension;
- follow up on the 1946 Zone (SS#1); and
- follow up on the Wilmar Mine Extension (SS#4 and SS#5).

The Gold Eagle Mine Property consists of 35 patented claims totaling 726.1 hectares (1,793.5 acres) in the heart of the prolific Red Lake Gold Camp. The Gold Eagle Mine produced approximately 40,000 ounces of gold from 1937 to 1941. Since operations ceased, no significant exploration program has been undertaken on the Property. With successful former producing mines on two sides of the Property, the claims are exceptionally well located. There are no royalties on the subject Property.

Sample preparation and assay procedures are carried out by SGS Laboratories in Red Lake. For more detailed information on these procedures please refer to Southern Star's AIF dated November 25, 2003. Dr. James M. Patterson, Ph.D., P. Geo., DIC, is the qualified person within the meaning of National Instrument 43-101 and has reviewed the exploration results contained in this news release. The statements made in this press release may contain forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from the Company's expectations and projections.

Southern Star has an option to earn a 50% interest in the Gold Eagle Mine Property by completing $2,000,000 in exploration work as well as making cash and share option payments to Exall over the next 2 years.

DRILL LOCATION MAP



Southern Star Resources Inc. - Exall Resources Limited
Gold Eagle Mine Property
Red Lake, Ontario, N.T.S. 52N/4
Drilling Program

Exall Resources Limited is a Toronto Stock Exchange listed company that trades under the symbol EXL (S.E.C. registration #82-3535). Exall is active in its business of mining exploration and development, as well as oil and gas production from its facilities near Grande Prairie, Alberta.

There are currently 44.6 million common shares issued and outstanding. For further information on the Gold Eagle Mine Property please visit our website at www.exall.com.

FOR FURTHER INFORMATION CONTACT:
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