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:**

   October 20, 2004

3. **Publication of Material Change**:

   Press Release issued October 20, 2004

4. **Summary of Material Change**:

   On October 20, 2004 Exall Resources Limited (EXL:TSX) and Southern Star Resources Inc. (SSR:TSX-V) announced the results of the current phase of diamond drilling at the Gold Eagle Mine Property in Red Lake, Ontario (the "Property"). The drilling continues to expand the mineralized envelope to the south east on 75 metre spacings (see attached map). Since the last press release dated September 15, 2004, the current drilling has expanded the zone **from 375 metres (1,230 feet) to 450 metres (1,500 feet) in an east - west direction.**

   Micon Report Update
   Micon International Limited visited the Gold Eagle Mine Property the week of October 4, 2004 as part of their preparation of an indepth technical review of the results obtained to date. Their report is expected to be available in mid-November.

   AMEC Engagement
   AMEC Earth & Environmental, a division of AMEC Americas Limited ("AMEC") has been engaged to perform a baseline environmental investigation of existing site conditions.

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

   Please see press release dated October 20, 2004 attached hereto as Schedule "A".

6. **Senior Officer:**

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

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

Signed at Toronto, Ontario this 29th day of October, 2004.

"Stephen G. Roman"

Stephen G. Roman, President and CEO
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

NEW DRILL RESULTS EXPAND WESTERN DISCOVERY ZONE
UPDATE ON MICON TECHNICAL REPORT
AMEC ENGAGED TO BEGIN ENVIRONMENTAL BASELINE STUDY
BRUCE CHANNEL DRILLING CONTINUES

Toronto, Ontario, October 20, 2004: **Exall Resources Limited (EXL:TSX)** and **Southern Star Resources Inc. (SSR:TSXV)** are pleased to announce the results of the current phase of diamond drilling at the Gold Eagle Mine Property in Red Lake, Ontario (the "Property"). The drilling continues to expand the mineralized envelope to the south east on 75 metre spacings (see attached map). Since the last press release dated September 15, 2004, the current drilling has expanded the zone **from 375 metres (1,230 feet) to 450 metres (1,500 feet) in an east - west direction.**

The significant results are tabulated below. Approximately 94% of the drill holes on the Western Discovery Zone ("WDZ") have encountered visible gold in the targeted mineralized system. The auriferous vein system is extensive and remains open horizontally to the south, east and north. Additional work is required to definitively limit the extent of the mineralization to the west. To date, over 25,000 metres (82,000 feet) have been drilled at the Property with very encouraging results.

WESTERN DISCOVERY ZONE: Significant Drill Intercepts

Drill Hole Number	From (Metres)	To (Metres)	Length (Metres)	Length (Feet)	GOLD g/tonne	GOLD ozs/short ton	
SS 30 (-70)	651.20	651.70	0.50	1.64	6.93	0.202	
SS 31 (-70)	341.25	341.65	0.40	1.31	10.29	0.300	VG
SS 32 (-70)	104.60	105.00	0.40	1.31	8.70	0.254	
	106.05	106.55	0.50	1.64	3.16	0.092	
	279.83	280.30	0.47	1.54	10.22	0.298	
	342.66	343.16	0.50	1.64	6.45	0.188	VG
	343.16	343.54	0.38	1.24	374.23	10.915	VG
	347.50	347.90	0.40	1.31	2.09	0.061	VG
	357.00	357.60	0.60	1.97	0.79	0.023	VG
	467.10	467.65	0.55	1.80	83.01	2.421	
SS 33 (-70)	319.67	320.12	0.45	1.48	94.36	2.752	VG
SS 34 (-70)	295.84	296.38	0.54	1.77	23.76	0.693	VG
	305.40	306.00	0.60	1.97	5.01	0.146	
SS 34 (-70)	341.00	341.50	0.50	1.64	4.15	0.121	VG
continued	364.76	365.25	0.49	1.61	55.34	1.614	VG

- *VG – Visible Gold*
- *Widths reported are core intersection lengths. It is anticipated that true width estimates will be possible after in fill drilling.*

The Gold Eagle Mine Property drill program is being carried out under the direction of Mr. John Whitton, P.Geo, the qualified person within the meaning of National Instrument 43-101. Mr. Whitton has reviewed the exploration results contained in this news release.

The Gold Eagle Mine Property is owned by Exall Resources Limited and Southern Star Resources Inc. on a 50-50 joint venture basis and 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 had been undertaken on the property prior to the present program. With successful former producing mines on two sides of the property on the northern and north eastern boundaries, the claims are exceptionally well located. The confirmation of the existence of two distinct auriferous target horizons believed to be similar to those hosting the adjacent past producing mines is encouraging and warrants a continuing and aggressive exploration program. There are no royalties on the Property.

Sample preparation and assay procedures are carried out by SGS Laboratories in Red Lake.

Micon Report Update
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AMEC Engagement
AMEC Earth & Environmental, a division of AMEC Americas Limited (“AMEC”) has been engaged to perform a baseline environmental investigation of existing site conditions.

Bruce Channel Drilling
Drilling continues on the Bruce Channel target zone. Results are being compiled for release later this quarter.

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 mineral exploration and development in Red Lake, as well as oil and gas exploration, development and production from its properties in Alberta, British Columbia and Texas.

There are currently 53 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:
Stephen G. Roman, Chairman, President and CEO
Tel: (416) 368-3949

FORWARD LOOKING STATEMENTS:
The statements made in this News 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 Resources Inc. - Exall Resources Limited

Gold Eagle Mine Property

Red Lake, Ontario, N.T.S. 52N/4

Drilling Highlights