

FORM 53-901F
MATERIAL CHANGE REPORT
SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)

FORM 20
MATERIAL CHANGE REPORT
SECTION 118(1) OF THE SECURITIES ACT (ALBERTA)

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

State the full name and address of the principal office in Canada of the reporting issuer:

War Eagle Mining Company Inc. (the "Company")
420 – 475 Howe Street
Vancouver, BC V6C 2B3
Phone: 604.606.7979

Item 2. Date of Material Change

June 21, 2001

Item 3. Press Release

The Press Release dated June 21, 2001 was disseminated via Canada Stockwatch and Market News.

A copy of the Press Release is attached as Schedule "A".

Item 4. Summary of Material Change

The Company announced the appointment of Mr. Joseph J. Giacalone as Rare Metals advisor/consultant.

Item 5. Full Description of Material Change

Supplement the summary required under item 4 with the disclosure which should be sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material. Management is in the best position to determine what facts are significant and must disclose those facts in a meaningful manner. See also item 7.

The description of the significant facts relating to the material change will therefore include some or all of the following: dates, parties, terms and conditions, description of any assets, liabilities or capital affected, purpose, financial or dollar values, reasons for the change, and a general comment on the probable impact on the reporting issuer or its subsidiaries. Specific financial forecasts would not normally be required to comply with this form.

The above list merely described examples of some of the facts which may be significant. The list is not intended to be inclusive or exhaustive of the information required in any particular situation.

For a full description of the material change, see Schedule "A".

Item 6. Reliance on Section 85(2) of the Act

If the report is being filed on a confidential basis in reliance of Section 85(2) of the Act, state the reasons for such reliance.

INSTRUCTION:

Refer to Section 85(3) of the Act concerning continuing obligations in respect of reports filed pursuant to this subsection.

Not Applicable.

Item 7. Omitted Information

In certain circumstances where a material change has occurred and a material change report has been or is about to be filed but s. 85(3) of the Act will no longer be relied upon, a reporting issuer may nevertheless believe one or more significant facts otherwise required to be disclosed in the material change report should remain confidential and not be disclosed or not be disclosed in full detail in the material change report.

State whether any information has been omitted on this basis and provide the reasons for any such omission in sufficient detail to permit the Commission to exercise its discretion pursuant to s. 169(4) of the Act.

The reasons for the omission may be contained in a separate letter filed as provided in section 151 of the Securities Rules.

Not Applicable.

Item 8. Senior Officers

The following Senior Officer of the Company is available to answer questions regarding this report:

Terence Schorn
420 – 475 Howe Street
Vancouver, BC V6C 2B3
Phone: 604.606.7979

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, BC, this 22nd day of June, 2001.

WAR EAGLE MINING COMPANY INC.

Per:

“Terence F. Schorn”

Terence F. Schorn
President and Director

Schedule "A"
WAR EAGLE MINING COMPANY INC.
420 - 475 Howe Street
Vancouver, BC V6C 2B3

June 21, 2001

CDNX Symbol WEM
SEC. No. 82-2008
CUSIP. No. 933901100

NEWS RELEASE

**WAR EAGLE MINING COMPANY INC. ANNOUNCES THE APPOINTMENT
OF JOSEPH J. GIACALONE, MA.**

War Eagle Mining Company Inc. (the "Company") is pleased to announce the appointment of Mr. Joseph J. Giacalone as Rare Metals advisor/consultant.

Mr. Giacalone is currently with New England Metals and Mining LLC in Massachusetts. Early in his career, Mr. Giacalone earned his masters in geology then became a research scientist with the U.S. Department of Defense and the U.S Atomic Energy Commission. Mr. Giacalone went on to become a member of the research faculty at MIT and Lincoln Labs and a lecturer at Boston University, Tufts University and the University of Massachusetts on Crystallography (the compounding of laboratory crystals for semiconductor products).

During Mr. Giacalone's 30 plus years as research scientist he was one of only a handful of scientist at the forefront of developing applications for gallium and germanium. His work aided in the development of today's new age semiconductors and transistors. Mr. Giacalone's extensive consulting experience includes the fabrication and manufacturing of semiconductor wafers and substrates used in todays high-end technology products.

The addition of Mr. Giacalone as consultant adds significant expertise to War Eagle's well qualified group of directors and advisors with respect to our search for mineable rare metal deposits.

For further information, please contact Terence Schorn, President, at 604-606-7971, or Bob Faris of Britton Capital Corporation, 1-800-877-1626 or 604-606-7973.

Terence Schorn, President
WAR EAGLE MINING COMPANY INC.

*The contents of this News Release have neither been approved nor
disapproved by the Canadian Venture Exchange Inc.*