FORM 53-901F
(Previously Form 27)

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE *SECURITIES ACT*(BRITISH COLUMBIA)

1. Reporting Issuer

War Eagle Mining Company Inc.

2. **Date of Material Change**

March 3, 2005.

3. **Press Release**

The Press Release dated March 3, 2005 was disseminated via Market News Publishing and Canada Stockwatch.

4. Summary of Material Change

War Eagle Mining Company Inc. announced the closing of the first $400,000 of the proposed $1 million financing and that the Tres Marias Mine Development program was underway.

5. **Full Description of Material Change**

See attached press release dated March 3, 2005.

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

Not Applicable

7. **Omitted Information**

Not Applicable

8. **Senior Officers**

Terence Schorn, President
(604) 606-7973

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, British Columbia, on the 3rd day of March, 2005.

WAR EAGLE MINING COMPANY INC.

Per: *"Terence Schorn"*

Terence Schorn, President

March 3, 2005 TSX Venture Symbol WAR
NEWS RELEASE **CUSIP. No. 933901209**

TRES MARIAS MINE EXPLORATION AND DEVELOPMENT UNDERWAY

Vancouver, B.C. - War Eagle Mining Company Inc. (TSX Venture Exchange – WAR) War Eagle Mining Company Inc. closes the first $400,000 of the proposed $1 million financing and the Tres Marias Mine Development program is underway.

During the first quarter of 2005 and in preparation for the underground drilling and sampling program the Company is purchasing the required surveying and sampling equipment as well as installing the air and water lines to the 6th level. Photogeology mapping of the entire concession continues, along with geochemical analysis and geophysical reporting.

The extensive underground workings will be sampled and assayed during the second quarter of 2005 and the underground and surface drill programs will follow.

The Tres Marias mine last produced high-grade zinc/germanium ore in 1992 but was shut down by the operator, Zinc National S.A., when the smelter used to treat the ore in Monterrey Mexico was forced to close. The average grade of ore produced from the mine since 1948 is 20% zinc, 400gm/ ton germanium and 6% lead. Given today's metal prices, the ore would have a value of more than US $500 per ton. War Eagle's development program hopes to prove a minimum minerable resource of 500,000 tonnes with the potential to add additional tonnage considering the numerous targets indentified on the concession to date.

For further information contact: Bob Faris, Vice President, Corporate Development
at 1-800-877-1626 or 604-606-7973.

"Terence F. Schorn, P. Geo"
President
War Eagle Mining Company Inc