

## FORM 27

### Securities Act

#### MATERIAL CHANGE REPORT UNDER THE SECURITIES ACT

*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.*

*Every report that is filed under section 118(1) of the Securities Act shall be sent to the Chief of Securities Administration in an envelope marked "Continuous Disclosure."*

*Where this report is filed on a confidential basis, write at the beginning of the report in block capitals "CONFIDENTIAL - SECTION 118".*

**ITEM 1 Reporting Issuer:**

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

BLUE ICE MINERALS LIMITED (the "Company")  
1000, 521 - 5 Avenue SW  
Calgary, Alberta T2P 3T3

**ITEM 2 Date of Material Change:**

June 28, 2000

**ITEM 3 Press Release:**

State the date and place or places of the news release that was issued pursuant to section 118(1) of the *Securities Act*.

On June 28, 2000 the Company issued a press release from Calgary, Alberta

**ITEM 4 Summary of Material Change:**

Provide a brief but accurate summary of the nature and substance of the material change.

The results of further bulk sampling and diamond sales by the Trafalgar Joint Venture, the alluvial diamond exploration project in South Africa in which the Company has a 50% interest.

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

- (1) Supplement the summary required under Item 4 with a disclosure that is sufficiently complete to enable a reader to appreciate the significance of the material change without reference to other material.
- (2) Management is in the best position to determine what facts are significant and must disclose facts in a meaningful manner.
- (3) This description of the significant facts relating to the material change will therefore include some or all of the following:
  - (a) dates;
  - (b) parties involved;
  - (c) terms and conditions;
  - (d) description of any assets;

- (e) liabilities or capital affected;
  - (f) purpose;
  - (g) financial or dollar values;
  - (h) reasons for the change;
  - (i) a general comment on the probable impact on the reporting issuer or its subsidiaries.
- (4) Specific financial forecasts would not normally be required to comply with this form.
- (5) The list in subsection (3) above merely describes examples of some of the facts that may be significant and is not intended to be all-inclusive or exhaustive of the information required in any particular situation.

*INSTRUCTION:*

*When considering subsections (2) and (3) also refer to Item 7.*

The results of further bulk sampling and diamond sales by the Trafalgar Joint Venture, the alluvial diamond exploration project in South Africa in which the Company has a 50% interest.

*Exploration:* The Joint Venture has completed 73 reconnaissance pits and 12 drillholes, aggregating 113 metres, in an exploration area of approximately 300 hectares within the northern sector (the "First Exploration Area") of the 2,121 hectare property in order to identify sample locations within the extensive alluvial plain. Additionally, three lines, to a total of 5 kilometres, of Electrical Resistivity Tomography ("ERT") have been surveyed to help identify gravel channel bars.

The exploration programme has identified two types of gravel thus far. A0 colluvial gravels (also known as "Rooikoppie"), deposited during the Cretaceous period between 90 and 80 million years ago, were first tested from a selection of six pits within the northeastern portion of the First Exploration Area. The Company announced the results of that test on April 4, 2000. A1 alluvial gravels, deposited during the Miocene period about 60 million years ago, have also been identified. A1 alluvial gravels are sometimes referred to as calcreted gravels in SW Transvaal.

*Bulk sampling:* The A1 alluvial gravels were tested from a selection of three pits in the south central portion of the First Exploration Area. Calcrete was encountered during the test, although the gravels in the lower portions of the profile were not significantly calcreted and did not require crushing. Drilling and blasting was employed in all of the pits, to the extent of 80% of the area opened, in order to access the gravels. 9,421 tonnes of gravel were processed during the test for a total recovery of 112 diamonds representing 109.2 carats. The average stone size was 1 carat and the average grade 1.2 carats per hundred tonnes. The test located finer grained gravels within the flood plain rather than coarser grained gravels that are the primary target in relation to the A1 alluvial gravels. The size distribution of the diamonds recovered from the colluvial gravels was:

<u>Diamond size (carats)</u>	<u>Number</u>
0.0 - 0.5	48
0.5 - 1.0	30
1.0 - 2.0	18
2.0 - 5.0	16

A greater proportion of larger stones, and a number of stones in excess of 5 carats, would have been expected had the test been successful in locating coarser grained gravels.

*Diamond sales:* The diamonds recovered from the test of the A1 alluvial gravels were sorted and prepared for appraisal and sale by the Operator's personnel on a run-of-mine basis (meaning that all diamonds, regardless of quality, were included). They were then sold on a competitive basis on the open market in South Africa in two parcels. The aggregate price realised was US\$ 39,380, representing US \$361 per carat, which price is below the Company's initial expectations for diamonds recovered from these gravels. The lower price may be explained by the size distribution and average stone size. The diamonds were of very good colour which bodes well for the quality of diamonds when coarser grained alluvial gravels are located. The first of the two parcels sold contained 25.3 carats and an average stone size of 1.2 carats. The price realised for these diamonds averaged US\$ 604 per carat.

*Future programme:* The exploration programme continues to be concentrated in the First Exploration Area, the objective being to better understand the distribution of gravels within that area. Activity here is related to an orderly exploration programme and not relative prospectivity. The programme during the next three months will focus on identifying a large channel, believed to run north to south through the First Exploration Area within the broad alluvial plain. The programme will comprise several kilometres of ERT and pitting and drilling as required. Bulk sampling of the Rooikoppie will continue meanwhile and the Joint Venture anticipates completing its initial sampling objective of 50,000 tonnes in August.

*General:* Because of delays in the delivery of the Joint Venture's mobile tandem pan plants, the Joint Venture commissioned the fabrication of a single pan plant. This was delivered at the end of May and commissioning was completed in mid-June. Since then the Joint Venture has operated using the single pan plant (on which the Joint Venture has acquired a *purchase* option) rented from the contract miner and the new plant. As a result, processing volumes have increased and, depending on the overall outcome of the initial sampling objective of 50,000 tonnes, the Joint Venture may add a further two pan plants to its operations during the next three months.

The common shares of Blue Ice Minerals Limited are traded on the Canadian Venture Exchange under the symbol BLE.

**ITEM 6 Reliance on Confidentiality:**

If the report is being filed in reliance on section 118(2) of the *Securities Act*, state the reasons for the non-disclosure.

*INSTRUCTION:*

*Refer to section 118(3) and (4) of the Securities Act and to section 143 of the Securities Regulation concerning continuing obligations in respect of reports filed pursuant to section 118(2) of the Securities Act.*

N/A

**ITEM 7 Omitted Information:**

(1) Where

(a) a material change has occurred,

(b) a material change report has been or is about to be filed but section 118(2) of the Act will no longer or will not be relied upon, and

- (c) the reporting issuer is nevertheless of the opinion that 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,

the reporting issuer shall state whether one or more of those significant facts has been omitted.

- (2) Where the reporting issuer indicates that one or more significant facts have been omitted, the reporting issuer shall provide the reasons for the omission in sufficient detail to permit the Chief of Securities Administration to exercise discretion pursuant to section 192(3) of the *Securities Act*.

**INSTRUCTION:**

*The reasons for the omissions of one or more significant facts may be contained in a separate letter filed as provided in section 143 of the Securities Regulation.*

N/A

**ITEM 8 Senior Officers:**

Give the name and business telephone number of a senior officer of the reporting issuer who is knowledgeable about the material change and the report or an officer through whom the senior officer may be contacted by the Chief of Securities Administration.

Tom Gorkoff  
1000, 521 - 5 Avenue  
Calgary, Alberta T2P 3T3  
Tel: (403) 264-2156

**ITEM 9 Statement of Senior Officer:**

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Calgary, in the Province of Alberta, this 28th day of June, 2000.

**BLUE ICE MINERALS LIMITED**

Per: "Tom Gorkoff"

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Tom Gorkoff, President

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