Form 51–102F3

Material Change Report

PART 1 GENERAL INSTRUCTIONS AND INTERPRETATION

(a) Confidentiality

If this Report is filed on a confidential basis, state in block capitals “CONFIDENTIAL” at the beginning of the Report.

(b) Use of “Company”

Wherever this Form uses the word “company” the term includes other types of business organizations such as partnerships, trusts and other unincorporated business entities.

(c) Numbering and Headings

The numbering, headings and ordering of the items included in this Form are guidelines only. You do not need to include the headings or numbering or follow the order of items in this Form. Disclosure provided in response to any item need not be repeated elsewhere.

(d) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 51–102 and to National Instrument 14–101 *Definitions*. If a term is used in this Form and is defined in both the securities statute of a local jurisdiction and in National Instrument 51–102, refer to section 1.4 of Companion Policy 51–102CP.

(e) Plain Language

Write the Report so that readers are able to understand it. Consider both the level of detail provided and the language used in the document. Refer to the plain language principles listed in section 1.5 of Companion Policy 51–102CP. If you use technical terms, explain them in a clear and concise manner.

PART 2 CONTENT OF MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

State the full name of your company and the address of its principal office in Canada.

Alto Ventures Ltd.
Suite 910, 475 Howe Street
Vancouver, BC V6C 2B3

Item 2 Date of Material Change

State the date of the material change.

December 29, 2004

Item 3 News Release

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51–102.

December 15, 2004 via CCN Matthews

Item 4 Summary of Material Change

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

*The Board of ALTO VENTURES LTD. (TSX.V: **ATV** - "Alto" or the "Company") is pleased to announce it has received final Exchange acceptance to the acquisition by Alto of the Greenoaks, Dog Lake and Oxford Lake properties, all as previously announced in a news release April 21, 2004 and a $2 million private placement.*

Item 5 Full Description of Material Change

Supplement the summary required under Item 4 with sufficient disclosure to enable a reader to appreciate the significance and impact of the material change without having to refer 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.

Some examples of significant facts relating to the material change include: 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 issuer or its subsidiaries. Specific financial forecasts would not normally be required.

Other additional disclosure may be appropriate depending on the particular situation.

INSTRUCTION

If your company is engaged in oil and gas activities, the disclosure under Item 5 must also satisfy the requirements of Part 6 of National Instrument 51–101 Standards of Disclosure for Oil and Gas Activities.

*The Board of ALTO VENTURES LTD. (TSX.V: **ATV** - "Alto" or the "Company") is pleased to announce it has received final Exchange acceptance to the acquisition by Alto of the Greenoaks, Dog Lake and Oxford Lake properties, all as previously announced in a news release April 21, 2004 and a $2 million private placement.*

As previously disclosed, Alto had entered into a letter of intent dated April 19, 2004 (the "LOI") with Hidefield Gold plc ("Hidefield"), providing for the acquisition by the Company of certain Canadian mineral properties held by Hidefield (the "Acquisition"). At the time of entering into the LOI, Hidefield held approximately 18% of the shares of the Company and a director of Hidefield, John Prochnau, is also a director of the Company. Kenneth Judge, a director of the Company is also the Chairman of Hidefield and the Chairman of Brazilian Diamonds Limited, a significant shareholder of Hidefield. David Cowan, a director of the Company, is also a director of Brazilian Diamonds Limited. Under the terms of the LOI the Company would issue a total of 10,700,000 common shares of the Company at a deemed price of $0.10 per share to Hidefield in order to acquire the Greenoaks gold property, Ontario, the Dog Lake gold property, Ontario and Hidefield's 50% interest in the Oxford Lake gold property, Manitoba (collectively the "Properties"). The Oxford Lake property is the subject of a 50-50 joint venture with Anglo Pacific Group PLC, a company at arms length to the Company, and in this regard the Company has also entered into a letter of intent with Anglo Pacific Group plc to acquire its 50% interest in the Oxford Lake property for 4,000,000 common shares of the Company having a deemed price of $0.10 per share. Completion of the acquisition of the 50% interest of Anglo Pacific Group PLC in the Oxford Lake property was contingent upon closing the Acquisition. As the Acquisition was deemed a Related Party Transaction, the Exchange required the Company obtain disinterested shareholder approval to the Acquisition. This was sought and obtained at an Extraordinary Meeting of Alto Shareholders held on July 14, 2004.

The Company also received final Exchange acceptance to private placement of 11,118,889 units at $0.18 per unit for total proceeds of $2,001,400. Each unit consists of one common share and one share purchase warrant, with each warrant entitling the holder to purchase one additional common share at a price of $0.30 for a period of two years. The securities issued will be subject to a four month hold period imposed by the policies of the Exchange. The proceeds raised from this financing will be used to fund exploration on the Properties as well as general working capital.

Upon completion of the Acquisition and the private placement outlined above, Hidefield will own and control 15,226,786 common shares of Alto or approximately 35.8% of the issued and outstanding shares of Alto and Anglo Pacific Group plc will own and control 8,190,000 common shares of Alto being approximately 19.27%.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51–102

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51–102, state the reasons for such reliance.

INSTRUCTION

Refer to subsections 7.1 (4), (5), (6) and (7) of National Instrument 51–102 concerning continuing obligations in respect of reports filed under subsection 7.1(2) or (3) of National Instrument 51–102.

Item 7 Omitted Information

State whether any information has been omitted on the basis that it is confidential information.

In a separate letter to the applicable regulator or securities regulatory authority marked “Confidential” provide the reasons for your company’s omission of confidential significant facts in the Report in sufficient detail to permit the applicable regulator or securities regulatory authority to determine whether to exercise its discretion to allow the omission of these significant facts.

INSTRUCTIONS

In certain circumstances where a material change has occurred and a Report has been or is about to be filed but subsection 7.1(2), (3) or (5) of National Instrument 51–102 is not or will no longer be relied upon, your company may nevertheless believe one or more significant facts otherwise required to be disclosed in the Report should remain confidential and not be disclosed or not be disclosed in full detail in the Report.

Item 8 Executive Officer

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or the name of an officer through whom such executive officer may be contacted.

Richard Mazur, President & CEO
Robert Anderson, CFO & Secretary
Telephone 604.681.2409

Item 9 Date of Report

Date the Report.

DATED at Vancouver, British Columbia, this 30th day of December, 2004.

/s/ Robert Anderson

Robert Anderson, CFO & Secretary