Form 51-102F3
Material Change Report

Item 1: Name and Address of Company

Mercator Minerals Ltd.
HC 37, Box 500
Kingman, Arizona 864401

Item 2: Date of Material Change

May 2, 2005

Item 3: News Release

Date:	May 2, 2005
Method(s) of Dissemination:	Canada News Wire, Canada Stockwatch and MarketNews

Item 4: Summary of Material Change

Mercator Minerals Ltd. (the "Company") announced its financial results for the year ended December 31, 2004.

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

Item 5: Full Description of Material Change

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

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

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

Name:	Marc S. LeBlanc
Title:	Corporate Secretary
Telephone:	(604) 716-5582

Item 9: Date of Report

Dated at North Vancouver, British Columbia this 3rd day of May, 2005.

MERCATOR MINERALS LTD.

Per:

"Marc S. LeBlanc"
Marc S. LeBlanc
Corporate Secretary

MERCATOR MINERALS LTD. REPORTS SUMMARY OF ACTIVITIES AND FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2004

TRADING SYMBOL: TSXV – ML

Kingman, Arizona: May 2, 2005, – Mercator Minerals Ltd. (the "Company") announces its financial results for the year ended December 31, 2004.

2004 was a transition year for the Company, as rising copper prices supported a resumption of mining activities at Mineral Park in July 2004, and leaching of this newly mined ore has resulted in increased copper production. In addition, Mercator completed several improvements at Mineral Park to boost efficiencies and reduce costs. These improvements included the conversion of the method of application of leach solution from wobblers (sprinkler heads) to emitters (drip application), substantially reducing evaporative water losses and associated pumping costs, as well as enhancements and efficiencies in the SX/EW plant. As a result of mining fresh ore, combined with the improvements made, production at Mineral Park for the year ending December 31, 2004 was 3,653,933 pounds of copper compared to 1,904,544 pounds of copper for the corresponding period in 2003. The Mineral Park mine is now producing at an estimated annualized rate of 7,200,000 pounds of copper per annum.

"We have significantly improved operations at Mineral Park since we acquired the mine and are now positioned to embark on a phased expansion of copper production," said Mike Surratt, Mercator's President and CEO. "Combined with the dramatic increases in resources and reserves announced early in 2005 and the recently completed financing, Mercator is now positioned to accelerate its expansion plans and take full advantage of current near record high copper prices. Our objective is to reach an annualized production level of at least 20 million pounds of copper per year during 2006," he said. "In the meantime, we are working towards completing a feasibility study for the development of a major milling operation producing significant levels of copper and molybdenum concentrates."

Details of the new resources and reserves and Mercator's plans for the phased expansion of production at Mineral Park are outlined in news releases dated February 28, 2005 and March 9, 2005, which are available on SEDAR or the Company's website at www.mercatorminerals.com.

Financial Highlights for the Year ended December 31, 2004

At December 31, 2004, the Company had cash of **$**1,863,438, compared with $149,205 at December 31, 2003. The increase in liquidity is primarily attributable to securities placements completed during fiscal 2004. Subsequent to the end of the period and as previously reported, the Company completed a brokered equity financing realizing gross proceeds of $15,000,000.

- For the year ended December 31, 2004, the Company reported a net loss of $690,813 ($0.04 per share), compared with a restated loss of $3,114,600 ($0.30 per share) for the corresponding period in 2003;

- Cash on hand at December 31, 2004 of $1,863,438, as compared to $149,205 for the corresponding period in 2003 and working capital at December 31, 2004 of $930,107, as compared to a working capital deficit of $800,920 for the corresponding period in 2003;
- Operating Revenues (excluding incidental income of $758,492 for period ended December 31, 2004) at Mineral Park before expenses for the year ended December 31, 2004, was $5,465,572, compared to $2,167,832 for the corresponding period in 2003, a 251% increase.
- Average realized copper price during the three month period ended December 31, 2004 was approximately US$1.40 per pound, as compared to the average closing price for copper of US$1.29 in 2004.
- The Company's production for the year ended December 31, 2004 at its 100% owned Mineral Park Mine in Arizona ("Mineral Park") was 3,653,933 pounds of copper compared to 1,904,544 pounds of copper for the corresponding period in 2003.
- Subsequent to year end completed a financing raising gross proceeds of $15 million, which will allow the company to eliminate its long term debt payable to Gourley and Gourley, accelerate the phased expansion of copper leach operations and evaluate the potential for development of a large scale copper-molybdenum milling operation producing concentrates.

"We saw a significant reduction in losses during 2004, even though we only recommenced mining mid-year," said Mike Surratt. "We should see the full benefit from the resumption of mining and other improvements in 2005, even as we continue to expand production levels further."

Results of operations – Year ended December 31, 2004

Consolidated revenues for the year ended December 31, 2004 from metals sales and other items, excluding incidental income of $758,492 generated from the leach pad during 2004, totaled $5,465,472 on the Company's total production of 3,653,933 pounds of copper compared to revenues of $2,167,832 and total production of 1,904,544 pounds of copper in 2003 (more than a 200% increase in revenues). Included in this revenue is $493,654 resulting from the sale of landscaping materials compared to $94,032 recognized from such sales in 2003. The incidental income of $758,492 generated from the leach pad during 2004 has been credited to the capital cost of construction of the leach pad, and is excluded from income and the Company's reported revenues for 2004.

For the year ended December 31, 2004, the Company reported a net loss of $690,813 ($0.04 per share), compared with a restated net loss of $3,114,600 ($0.30 per share) for the corresponding period in 2003. The restated net loss for 2003 was restated to (a) reflect the Company's adoption of the newly adopted accounting policies for stock-based compensation and the Asset Retirement Obligations, as described in the Summary of Significant Accounting Policies and in Note 2 to the Financial Statements (and detailed below), and (b) amend the original purchase price allocation on acquisition of our subsidiary in 2003. Such amendment resulted in the accrual of a portion of the net profits interest payable to the vendors of the Mineral Park Mine (the "NPI") as well as a writedown of property, plant and equipment. Each of the charges recognized in the restatement of the Financial Statements for the year ended December 31, 2003 are non-cash items, and are made in accordance with Canadian GAAP.

Net losses for 2004 were affected by the expensing of non cash items for: stock based compensation costs for stock options granted in 2004 ($319,813) and the Asset Retirement Obligations expense in accordance with the new policies in connection therewith (as discussed below), adopted retroactively by the Company during the year, and the increased interest expense incurred from the drawdown of funds on the Company's line of credit with Gourley & Gourley. After deducting the non-cash stock based compensation cost amounts of $319,813 for 2004 ($77,097 for 2003), the Company recorded a net loss of $371,000 or $0.02 per share for the year ended December 31, 2004 as compared to $3,037,503 or $0.29 per share for the year ended December 31, 2003. The increased level of activity resulted in a loss from operations having declined from $1,490,613 in 2003 to $865,335 in 2004, even though the operations were still transitioning to full production during this period.

The net loss for the year ended December 31, 2003 was restated for the effect of non cash items for: stock based compensation costs for stock options granted in 2003 ($77,097) and a change in the purchase price allocation due to adoption of asset retirement obligation rules and the other changes to the purchase price allocation discussed below. Such restatement resulted in the elimination of the extraordinary gain of $1,340,713 previously recognized in the 2003 financial statements

Processing expenses at Mineral Park increased to $3,444,468 during 2004 as compared to $1,949,235 in 2003. There was no mining activity in 2003. The increase during the year ended December 31, 2004 reflects a full year of leaching at Mineral Park in 2004 as compared to six months of operation in 2003.

Administration costs were $797,221 during the fiscal year ended December 31, 2004 compared to $642,038 for the year ended December 31, 2003. The increase during the year ended December 31, 2004 reflects a full year of leaching at Mineral Park in 2004 as compared to six months of operation in 2003. These costs were offset by revenues generated during the period at Mineral Park, interest income earned on cash balances and the sale of landscaping materials and turquoise.

Salaries and benefits increased to $1,733,483 in 2004 as compared to $903,228 in 2003, and reflected a full year of leaching operations at Mineral Park in 2004 as compared to six months of operations in 2003. After deducting the non-cash stock option compensation cost amounts described above, of $319,813 for 2004 and $77,097 for 2003, the Company's salaries, wages and benefits costs have increased from $0.826 million in 2003 to $1.413 million in 2004, the increase due to a full year of leaching operations in 2004 compared to six months of operations at Mineral Park in 2003.

The Company incurred interest expense of $295,807 during the year ended December 31, 2004 an increase from $102,193 during the corresponding period in 2003, due to a full year of operation in 2004 and the increased balance outstanding and the additional draw down of funds from the line of credit entered into with Gourley & Gourley in June 2003 (the "Note"). The Company's indebtedness under the note increased to $2,409,309 at December 31, 2004 from $1,027,538 on December 31, 2003, as additional funds were drawn down during the year to fund improvements at Mineral Park in advance of the financings completed during the year and to finance operations during the period of the leaching process from the mining of new ore.

Interest income rose to $125,407 during the year ended December 31, 2004 from $17,987 during the prior year reflecting higher cash balances as a result of funds received from the issuance of common shares throughout fiscal 2004 as well as increasing amounts of funds held in interest-bearing bonds for land reclamation and environmental protection as required by regulatory agencies in the United States. Revenues generated by the Company from metals sales and other items, excluding incidental income of $758,492 generated from the leach pad during 2004, totaled $5,465,472 on the Company's total production of 3,653,933 pounds of copper compared to revenues of $2,167,832 and total production of 1,904,544 pounds of copper in 2003. The incidental income of $758,492 generated from the leach pad during 2004 has been credited to the capital cost of construction of the leach pad, and exclusive of the income and the Company reported revenues for 2004.

Changes in Accounting Policies

During 2004, the Company adopted new accounting standards for stock-based compensation and asset retirement obligations that impacted its financial results for 2004 and 2003. The effect of these changes, are described below. Readers are referred to Note 2 of the Company's 2004 consolidated financial statements for further detail.

Effective January 1, 2004, the Company has retroactively adopted the new recommendations of the Canadian Institute of Chartered Accountant ("CICA") Handbook Section 3870, "Stock-based compensation and other stock based payments", which now requires companies to adopt the fair value based method for all stock-based awards granted on or after January 1, 2002. Previously the Company was only required to disclose the pro forma effect of stock options issued to employees and directors in the notes to the financial statements.

The Company has retroactively applied this new accounting policy to prior years and restated the 2003 comparative numbers accordingly. Using the Black-Scholes option pricing model, the effect of the restatement was to increase the net loss for 2003 by $77,097 for options granted in that year, and to increase contributed surplus and the accumulated deficit as of December 31, 2003 by $77,097.

Also, effective January 1, 2004, the Company has retroactively adopted CICA Handbook Section 3110, "Asset Retirement Obligations" (ARO) which establishes guidelines for future site reclamation cost. In prior years, the Company accrued for estimated future site restoration costs through direct charges to earnings as liabilities were incurred. Our restoration obligations are funded through various bonds required by regulatory authorities totaling $3,124,635 at December 31, 2004.

The new accounting recommendation requires the Company to initially recognize the future site reclamation costs at its fair value, using the present value method, in the period in which it is incurred. Additions to the reclamation accrual are accreted annually until the end of the estimated life of each mine site. The additional accrual required upon adopting this recommendation was recognized as an adjustment to the purchase price allocation made in 2003 upon acquisition of our subsidiary. The additional accreted amount is expensed annually in the Statement of Operations and Deficit. The liability portion of the ARO is set up by the initial amount plus the annual accretion as the offsetting entry recognizing future site reclamation cost until the end of the life of the mine. The ultimate cost to complete the future site reclamation work is reviewed from time to time to maintain a reasonable future cost of reclamation. Inherently, the asset retirement obligation requires management to make significant estimates and assumptions. Actual results could materially differ from these estimates. Any changes in estimates will be treated prospectively in our financial statements.

The effect of adopting this new accounting policy was to increase the net loss for 2003 by $465,733 and to increase long-term liabilities and the accumulated deficit by a corresponding amount as at December 31, 2003.

Restatement of Financial Statements for the year ended December 31, 2003

Under the Acquisition Agreement the Company acquired from Equatorial the Mineral Park Mine reclamation bond, the Aquifer Protection Bond and general working capital (accounts receivable and prepaid expenses), for a total of $3,555,148 (US$2,720,000). Under the Acquisition Agreement the $3,555,148 (US$2,720,000) will be reimbursed to the vendor by an unsecured NPI in the Mineral Park Mine of 5% per quarter on cumulative revenue less cumulative cash operating expenses, as defined in the agreement. The NPI is accounted for as contingent consideration as at the acquisition date, and at December 31, 2004 it was indeterminable as to when cumulative revenue less cumulative cash operating expenses would result in positive cash flow. On the acquisition date, the Company recognized $738,598 of the NPI representing the excess of net assets over the common share purchase price. No additional amounts have been accrued as additional purchase price and no payments have been made. Such contingent consideration will be recognized as a mineral property cost when it becomes likely that payments on the NPI will occur.

The detail of the purchase price allocation (as restated) is contained in Note 4 to the Financial Statements.

The Company, in conjunction with its auditors, reviewed the accounting for its acquisition of the Mineral Park Mine and determined that corrections were necessary to eliminate the extraordinary gain previously recognized in the 2003 financial statements. The extraordinary gain previously recognized of $1,340,713 was reduced by $1,340,713 representing newly adopted asset retirement obligation rules above, a reduction in the carrying value of the property, plant and equipment by $215,428 (and reversing associated amortization of $15,818) and to accrue contingent consideration of $738,598 as better described in Note 4 to the Financial Statements.

In accordance with CICA recommendations, when a business combination involves a contingent consideration agreement that might result in recognition of an additional element of cost of the purchase on resolving the contingency, an amount equal to the lesser of the maximum amount of contingent consideration and the excess (i.e. Negative goodwill) should be recognized as if it were a liability. When the contingency is resolved and the consideration is issued or becomes issuable, any excess of the fair value of the contingent consideration issued or issuable over the amount initially recognized will be recognized as an additional cost of the purchase. Any excess of the amount initially recognized as if it were a liability over the fair value of the contingent consideration issued or issuable will be recognized as an extraordinary gain in the period the NPI is extinguished.

The net effect of the restatement is to increase the net loss incurred during 2003 to $3,114,600, a net increase of $1,481,038. This increase in the net loss for 2003 includes the charges recognized and detailed above, for the adoption of the new accounting standards for stock-based compensation ($77,097 for 2003) and asset retirement obligations ($465,733) the reduction in the carrying value of the property, plant and equipment by $215,428 (and reversing associated amortization of $15,818) and to accrue contingent consideration of $738,568. Each of the charges recognized in the restatement of the Financial Statements for the year ended December 31, 2003 are non cash items, and are made in accordance with Canadian GAAP.

The adjustments do not impact the cash position of the Company or its mining operations, but relate solely to changes to previously reported losses due to the to re-categorization of the net profits interest payable to the vendors of the Mineral Park Mine as an accrual of contingent consideration on the acquisition of the Mineral Park Mine, and timing of retroactive application of the changes in accounting policies described above.

The impact of the restatement on the interim financial statements for 2003 and 2004 is as follows:

Quarter ended June 30, 2003: Net earnings of $0.96 million have been increased to a net loss of $1.34 million;

Quarter ended September 30, 2003: Net loss of $1.699 million has been increased to a net loss of $1.786 million;

Quarter ended March 31, 2004: Net loss of $301,709 has been increased to a net loss of $358,388;

Quarter ended June 30, 2004: Net earnings of $25,953 have been restated to a net loss of $21,053;

Quarter ended September 30, 2004: Net earnings of $138,318 have been reduced to net earnings of $91,312.

None of the accounting policy changes and related restatements are cash items or affect the Company's cash flow or cash balances as reported for the years ended December 31, 2004 or December 31, 2003.

All financial information contained herein should be read in conjunction with the Company's Management Discussion and Analysis and audited financial statements for the years ended December 31, 2004 and 2003 and related notes thereto available under the Company's profile on www.sedar.com.

On Behalf of the Board of Directors

MERCATOR MINERALS LTD.

Per: *"Michael L. Surratt"*

Michael L. Surratt,
President

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this Release.

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