

This is the form of material change report required under section 85(1) of the Securities Act.

FORM 53-901F

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

Item 1 Reporting Issuer

TEARLACH RESOURCES LIMITED.

Item 2 Date of Material Change

September 3, 2002

Item 3 Press Release

News Release issued September 3, 2002,.

Item 4 Summary of Material Change

See attached copy of the September 3, 2002, News Release.

Item 5 Full Description of Material Change

See attached copy of the September 3, 2002, News Release.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Senior Officers

Malcolm Fraser, President of the Issuer, is knowledgeable about the material change and this report.
His business telephone no. is (604) 688-5007.

Item 9 Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, B.C., the 3rd day of September, 2002.

"Charles Ross"

Secretary

Tearlach Resources Limited

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NEWS RELEASE

MYSTERY OFFSET DYKE PROPERTY

September 3rd, 2002

HISTORY: The Mystery Offset property, to be acquired by the Company as announced on April 17th, 2002, has a 1.2 kilometer strike length. Located in Lorne Twp., District of Sudbury, the property is part of the prolific Worthington Offset dyke structure which has hosted 6 mines to date. On January 18th, 2001, The International Nickel Company of Canada ("INCO") announced that its newly discovered Totten Mine Extension, which lies approximately 2.5 miles north east from the Mystery property on the same geological structure, contains 10.1 million tonnes of 1.50 per cent nickel, 1.97 per cent copper and 4.8 grams per tonne of palladium and platinum, including 1.4 million tonnes of inferred resource at 1.4 per cent nickel, 2.0 per cent copper and 7.1 grams per tonne of palladium and platinum. The Mystery Offset property is bound by INCO patented mineral claims on the East, West and by other patented claims to the north and south.

This section of the Worthington Offset was last mapped and mentioned in geological or mining reports in 1901. The original patent of the Mystery Offset was granted to the Algoma Nickel Co. in 1891. A family trust in the United States has kept the surface and mining rights in good standing for the past 112 years. Reports in Sudbury at the Ministry of Mines library mention this property in the first annual report of the Bureau of Mines in 1891 and again in the Geological Survey of Canada annual report in 1901. No further mention of this property appears to have been reported. The Sudbury Ministry of Mines was unaware of its existence. In both reports, it is mentioned that 5 shafts were sunk to depths of 35 feet and that 500 tons of 2% nickel were stockpiled. No assays for copper or PGMs were reported. Also, mentioned was the fact that the band of norite rock crossing the property was a possible extension of the Worthington Offset on which the Worthington and Mitchener mines were situated.

INCO's newly discovered Totten Mine Extension is believed to represent the lower depth (2,500') extension of the original Worthington Mine ore body discovered in 1895 during the building of the Canadian Pacific Railway.

Other than the 1901 pits, the Mystery Offset property has never been drilled or tested to depth and consequently no calculation of reserves has been made.

Exploration, conducted under the direction of Thomas Poupore and completed in Dec. 2001, indicated four magnetometer anomalies, the largest anomaly being 225 meters in length. Minor striping and trenching on the anomalies was also conducted. One trench 20 ft. long provided selected grab samples assaying 4.09% (#11213001) and 2.61% (# 11213003) nickel, 4.49%

(#9409) and 4.87% (9415), copper, 2.76 (#9412) and 65.97 (#11213003)grams/tonne platinum and palladium, respectively.

Closing of the acquisition of the option agreement owned by Thomas Poupore and a \$530,500 financing at fifty (\$0.50) cents per share, was announced on August 8th, 2002. Also on August 8th, 2002, a second private placement for \$ 255,000 was announced, together with the granting of 1,251,950 incentive options. Regulatory approval for all current filings has been received.

The Mystery Offset property is described in greater detail in the Company's annual information statement and in the technical report prepared for the Company by Hayden Butler, copies of which have been filed on SEDAR and may be reviewed at its website located at www.sedar.com. Subsequent to closing, the Company has been conducting further clearing and stripping of the discovery zone of the Mystery Offset dyke. Over 600 feet of the dyke has been exposed and washed, disclosing essentially continuous mineralization with widths up to 5 meters (16 feet). Twelve channel samples across the mineralized sections of the dyke have been completed under the supervision of Hayden Butler, independent consulting geologist and have been forwarded to Swastika Laboratories, Swastika, Ontario, for analytical analyses. Analytical results together with a sample plot plan will be released when received from the labs.

A program of surface electromagnetic geophysical survey (UTEM) is currently being run over the exposed mineralization to provide reliable delineation of the structure of the mineralized zone, preparatory to selection of initial drill targets.

A graveled, all weather access road has now been completed to the site.

With adequate funding now in place, the Company plans to commence the first phase of drilling in early September.

On behalf of the Board of Directors
"Malcolm Fraser"
President

The TSX Venture Exchange has neither approved nor disapproved of the contents of this information release.
