

**FORM 53-901.F**

**SECURITIES ACT**

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

**Item 1. Reporting Issuer**

KNIGHT RESOURCES LTD.  
3<sup>rd</sup> Floor, 157 Alexander Street  
Vancouver, BC V6A 1B8

**Item 2. Date of Material Change**

July 16, 2004

**Item 3. Press Release**

News release dated July 16, 2004 was issued in Vancouver, BC and disseminated through CCN Matthews.

**Item 4. Summary of Material Change**

The Issuer reports that drilling has commenced on the 720 sq. km West Raglan Project, located in northern Quebec.

**Item 5. Full Description of Material Change**

The Issuer reports that drilling has commenced on the 720 sq. km West Raglan Project, located in northern Quebec.

Crews have been on-site since June 18 preparing the camp for the \$4.5 million 2004 exploration program. Geological crews were mobilized to camp on July 5th and July 9th. Geological crews will focus on detailed mapping of the Frontier area, the site of last year's discovery, and on regional geological mapping throughout the property.

A minimum of 5,000 metres of drilling is planned for 2004. Drilling with the first rig began on July 16 and drilling with the second rig is scheduled to begin on July 24, 2004. Initial drilling will focus on the Frontier area and will include testing of borehole electromagnetic targets around known mineralization, testing electromagnetic anomalies on strike with known mineralization and testing other electromagnetic anomalies associated with ultramafics. Additional drilling will be carried out on targets on the 65 kilometre strike length of the Raglan Formation and the 65 kilometre strike length of the Delta Horizon.

A detailed AEROTEM helicopter borne electromagnetic and magnetic geophysical survey is in progress. The 3,000 line kilometre AEROTEM survey is being flown at 100 metre line spacing, with the exception of 50 metre line spacing over the Frontier area and other selected targets areas. The survey has been designed to follow up the airborne SPECTREM survey flown at 200 metre line spacing in 2003.

Limited electromagnetic and magnetic surface surveys will be carried out over selected targets before drilling. Down-hole electromagnetic surveys will be carried out on a routine basis.

Geochemistry will also be used to prioritize geological and geophysical targets throughout the property.

The 2004 field program is being carried out by West Raglan Project operator Anglo American

Exploration (Canada) Limited.

In 2003, a total of 18 holes were drilled on the West Raglan Project, eight of which intersected significant nickel, copper, cobalt, platinum and palladium mineralization in the Frontier area. The mineralization occurs in ultramafic rocks of the Raglan Formation. The discovery hole, 2003-WR-08 intersected 14.75 metres of 3.04% nickel in 50% net textured sulphides. The best hole, 2003-WR-16, intersected 5.12 metres of 4.16% nickel averaging 35% sulphides, including a 0.67 metre intersection of 11.83% nickel in massive sulphides.

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

If the report is being filed on a confidential basis in reliance on Section 85(2) of the Act, state the reasons for such reliance.

N/A.

**Item 7. Omitted Information**

N/A.

**Item 8. Senior Officers**

HARVEY KEATS  
PRESIDENT

Telephone: (604) 684-6535

**Item 9. Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

**DATED** at Vancouver, British Columbia, this 16<sup>th</sup> day of July, 2004.

KNIGHT RESOURCES LTD.

Per:

“Harvey Keats”  
Harvey Keats,  
President