ALHAMBRA RESOURCES LTD.

700, 839 - 5th Avenue S.W., Calgary, Alberta, T2P 3C8

ALBERTA SECURITIES COMMISSION
19th Floor
10025 Jasper Avenue
Edmonton, Alberta
T5K 3Z5

Attention: Executive Director

and to

BRITISH COLUMBIA SECURITIES COMMISSION
PO Box 10142
Pacific Centre
701 West Georgia Street
Vancouver, BC
V7Y 1L2

Attention: Executive Director

and to

TSX VENTURE EXCHANGE
10th floor, 300 - 5 Avenue SW
Calgary, Alberta
T2P 3C4

Dear Sirs:

Re: ALHAMBRA RESOURCES LTD. (the "CORPORATION") MATERIAL CHANGE REPORT UNDER SECTION 146 OF THE *SECURITIES ACT* (ALBERTA), SECTION 85 OF THE SECURITIES ACT (BRITISH COLUMBIA)

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of the Corporation. For convenience, this letter is itemized in the same manner as Form 27 of the Securities Act (Alberta) and Form 53-901F of the *Securities Act* (British Columbia). Concurrent with this filing, this letter is being filed with the TSX Venture Exchange, being the only exchange on which the Corporation's shares are currently listed.

Item 1 - Reporting Issuer

Alhambra Resources Ltd.
700, 839 - 5th Avenue S.W.
Calgary, Alberta T2P 3C8

Telephone: (403) 228-2855

Item 2 - Date of Material Changes

The material changes occurred on or about August 8, 2002.

Item 3 - Publication of Material Changes

A press release was issued on August 8, 2002 by CCN Matthews.

Item 4 - Summary of Material Changes

The Corporation provided clarification on previous press releases and the 2001 annual report in relation to the Uzboy Project.

Item 5 - Full Description of Material Changes

In regard to press releases dated May 22, 2002, June 4, 2002 and June 14, 2002, and in the 2001 Annual Report of the Corporation, the Corporation withdraws the statements made with respect to placing the Uzboy Project (defined below) into production, forecasts of production rates for the Uzboy Project and progress on the production decision for the Uzboy Project. The Corporation should not have made these statements as it had not filed a National Instrument 43-101 compliant report supporting the production decision and the production forecasts for the Uzboy Project.

The TSX Venture Exchange has not accepted a report prepared by A.C.A. Howe International Limited ("Howe") dated May 24, 2002, entitled "Exploration Report on the Uzboy Prospect, Akmola Oblast, Republic of Kazakhstan, for Alhambra Resources Ltd." (the "Howe Report") discussed in the May 22, 2002 and June 14, 2002 press releases, and therefore the Howe Report cannot be relied upon. Howe is currently finalizing an amendment to the Howe Report in order to make the Howe Report National Instrument 43-101 compliant. Until such time as the Howe Report, and any amendment thereto is accepted by the TSX Venture Exchange and filed on SEDAR, no further disclosure of the Uzboy Project may be made and any further information regarding the Uzboy Project may not be relied upon.

The Corporation is pleased to provide an update on the Saga Creek Gold Company LLP ("Saga Creek") Uzboy gold project ("Uzboy Project") in the Akmola Oblast (province) of northern Kazakhstan. Pursuant to a Partnership Unit Purchase and Exchange Agreement dated March 21, 2002 (the "Agreement"), the Corporation has agreed to purchase Saga Creek (the "Transaction"), and as a result, obtain the licenses to the Uzboy Project. Pursuant to the Agreement, the Corporation has agreed to purchase all of the issued and outstanding units of Saga Creek in exchange for the issuance of 4,000,000 common shares of the Corporation. Additionally, the Corporation has agreed to grant to the beneficial vendors of Saga Creek, in aggregate, a net smelter return with respect to the production of mines and minerals from the Uzboy Project equal to: (i) 2.5% of gross revenue in the event the weighted average price of gold is less than $300 (U.S.) per ounce; (ii) 2.75% of gross revenue in the event the weighted average price of gold is equal to or greater than $300 (U.S.) per ounce; and (iii) 3% of gross revenue in the event that the weighted average price of gold is equal to or greater than $350 (U.S.) per ounce. Although the TSX Venture Exchange has conditionally approved the Transaction, the Transaction has not closed and will not be completed until the TSX Venture Exchange has issued its final approval of the Transaction.

Saga Creek is owned 80% by Marsa Aktiengesellschaft ("Marsa") and 20% by Goodwin Golems LLP. Goodwin Golems LLP is wholly owned by Teragol Investments Limited ("Teragol"). Marsa is owned 100% by owned by Olga M. Elefteriadi and Teragol is wholly owned by Mr. Basil Tricoupis and Mrs.

Helen Georgiades. Ms. Elefteriadi, Mr. Tricoupis and Mrs. Georgiades are unrelated to the Corporation and as a result the Transaction is arm's length. After the completion of the transaction, and accounting for the issuance of 1,200,000 common shares of the Corporation on July 31, 2002, as disclosed in a press release dated August 1, 2002 (the "1,200,000 Share Private Placement"), which has been conditionally approved by the TSX Venture Exchange but still requires final approval, the Corporation will have 20,328,535 common shares issued and outstanding, Ms. Elefteriadi will have beneficial ownership of 3,200,000 common shares of the Corporation (15.7%), Mr. Tricoupis and Mrs. Georgiades will have, in aggregate, beneficial ownership of 800,000 common shares of the Corporation (3.9%) and management of the Corporation will have beneficial ownership of 6,702,945 common shares of the Corporation (33.0%). Ms. Elefteriadi, Mr. Tricoupis and Mrs. Georgiades will not be appointed a director or officer of the Corporation in connection with the Transaction.

The following is a summary of the audited annual financial statements of Saga Creek for the years ended December 31, 2001 and 2000:

Item	**Year Ended December 31, 2001 (US$)**	**Year Ended December 31, 2000 (US$)**
Revenue	Nil	Nil
Net Income	Nil	Nil
Cash Flow from Operations	Nil	Nil

Item	**As at December 31, 2001 (US$)**	**As at December 31, 2000 (US$)**
Current Assets	$11,963	$12,606
Total Assets	$3,122,678	$2,123,456
Total Liabilities(1)	$3,121,678	$2,113,456
Partner's Equity	$1,000	$10,000
Working Capital	$511	$10,376

Note:

(1) $3,110,226 of this amount is represented by an unsecured, non-interest bearing loan from Marsa to Saga Creek. Pursuant to paragraph 2.1 of the Agreement, the Corporation will purchase this loan from Marsa pursuant to the Transaction for $1.

The Uzboy Project is located in the Akmola Oblast (province) of northern Kazakhstan and Saga Creek holds license MG No.1029D dated February 10, 1997, as amended, and license MG No.719DD dated February 10, 1997, as amended, which cover approximately 11,000 square kilometers of mineral rights which comprise the Uzboy Project. The licenses are valid for 25 years, and provide for two extensions, each for a period of 10 years. In order to keep the licenses in good standing, a work program is required to be submitted each year to the State Committee for Resources in Kazakhstan for approval. For 2002 and 2003, the work program was submitted in February 2002 and has been approved.

The Oblast Geological Expedition and Saga Creek completed exploration programs on Uzboy east and Uzboy west. From October to December inclusive of 2001, the Corporation funded a trenching and reverse circulation drilling program to further define the Uzboy west and Uzboy east zones of mineralization.

A summary of the work completed on the Uzboy Project by the various exploration programs is listed below:

Company	Type of Exploration	# of Units	Meters	Samples Taken
Soviet (pre-1996)	RC holes	324	7,055	3,528
	Core holes	12	1,543.5	745
Saga Creek (1996-1997)	Core holes	35	6,424	6,424
	Trenches	7	522	517
	Magnetics	79 kms		
Saga Creek (2001-2002	RC holes	45	1,081	526
	Trenches	14	2,757	2,073

The exploration that was completed in 2001-2002 and that was funded by the Corporation had a budget of US $130,000 and was one of the fundamental terms of the original memorandum of understanding between Saga Creek and the Corporation in relation to the acquisition of Saga Creek by the Corporation. The work was completed before the Agreement was signed in March of 2002.

As first disclosed in a press release dated June 4, 2002, the Corporation has raised gross funds of Cdn $720,000, or US $432,000 pursuant to the 1,200,000 Share Private Placement. Of the U.S. $432,000, it is estimated that U.S. $137,500 was spent on exploration in June and July 2002.

Item 6 - Reliance of Section 118(4) of the Securities Act (Alberta)or Section 85(2) of the Securities Act (British Columbia) or Section 84(2) of the Securities Act (Saskatchewan)

N/A

Item 7 - Omitted Information

N/A

Item 8 - Senior Officer

The name of the Senior Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

Michael E. Hriskevich
President
(403) 228-2855

Item 9 - Statement of Senior Officer

The foregoing accurately discloses the material change referred to in this report.

DATED at Calgary, Alberta, this 16th day of August, 2002.

ALHAMBRA RESOURCES LTD.

Per: *signed "Michael E. Hriskevich"*
Michael E. Hriskevich
President