ALHAMBRA RESOURCES LTD.

330, 700 - 6th Avenue S.W., Calgary, Alberta, T2P 0T8

ALBERTA SECURITIES COMMISSION
4th Floor
300 -5th Avenue S.W.
Calgary, Alberta
T2P 3C4

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 INC.
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.
330, 700 - 6th Avenue S.W.
Calgary, Alberta T2P 0T8
Telephone: (403) 228-2855

Item 2 - Date of Material Changes

The material changes occurred on or about March 8, 2004.

Item 3 - Publication of Material Changes

A press release was issued on March 8, 2004.

Item 4 - Summary of Material Changes

Alhambra Resources Ltd. (TSX Venture "ALH") announces that further to its news releases dated December 17, 2003, January 16, 2004 and March 1, 2004, the Corporation has completed an initial closing of its previously announced brokered private placement by issuing 1,622,160 Units of the Corporation for an aggregate amount of $811,080.

Item 5 - Full Description of Material Changes

Alhambra Resources Ltd. (TSX Venture "ALH") announces that further to its news releases dated December 17, 2003, January 16, 2004 and March 1, 2004, the Corporation has completed an initial closing of its previously announced brokered private placement by issuing 1,622,160 Units of the Corporation for an aggregate amount of $811,080. Each unit consisted of one (1) common share and one (1) share purchase warrant. Each share purchase warrant will entitle the holder thereof to purchase a further common share at an exercise price of $0.70 per common share on or before the expiration of two (2) years from the date of issuance. The Units issued under this closing and the securities into which the Units may be converted are subject to a four month hold period expiring on July 8, 2004.

The Corporation paid Union Securities Ltd. ("Union") and other selling group agents a cash commission equal to 10% of the gross proceeds raised and further issued broker warrants to purchase 10% of the Units sold under the private placement at an exercise price of $0.50 per Unit, exercisable on or before September 8, 2005.

The Corporation had previously closed a non-brokered portion of the private placement for an amount of $295,000, which when combined with the foregoing, amounts to an aggregate sum of $1,106,080 to date. The Corporation proposes to enter into an Amending Agreement with the subscribers to the first non-brokered closing of the private placement announced on January 16, 2004, in order to amend the number of common shares previously issued and to amend the term and exercise price of the warrants previously issued.

The Corporation will continue to seek subscribers for the balance of the proposed financing up to a maximum amount of 8,400,000 Units or gross proceeds of $4,200,000, with subsequent closings anticipated to occur in the near future.

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:

John J. Komarnicki
Chairman
(403) 228-2855

<u>Item 9 - Statement of Senior Officer</u>

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

DATED at Calgary, Alberta, this 9th day of March 2004.

ALHAMBRA RESOURCES LTD.

Per: *"signed" John J. Komarnicki*
John J. Komarnicki
Chairman