

Alhambra Resources Ltd.
330, 700 6th Avenue SW
Calgary, Alberta T2P 0T8

ALBERTA SECURITIES COMMISSION

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

Attention: Executive Director

BRITISH COLUMBIA SECURITIES COMMISSION

P.O. Box 10142 Pacific Centre
701 West Georgia Street
Vancouver, B.C.
V7Y 1L2

Attention: Director of Filings

TSX VENTURE EXCHANGE

10th Floor, 300 - 5th Avenue S.W.
Calgary, Alberta, T2P 3C4

Attention: Director of Filings

Dear Sirs:

Re: Alhambra Resources Ltd.
Material Change Report

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of Alhambra Resources Ltd. (the "Corporation"). For convenience, this letter is itemized in the same manner as Form 51-102F3 of National Instrument 51-102. 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 - Name and Address of Company

Alhambra Resources Ltd.
330, 700 6th Avenue SW
Calgary, Alberta T2P 0T8
Telephone: (403) 228-2855
Facsimile: (403) 228-2865

Item 2 - Date of Material Change

The material changes occurred on or about December 16, 2004.

Item 3 - News Release

A News Release was issued on December 16, 2004 via CCN Matthews.

Item 4 - Summary of Material Changes

The Corporation completed the following important developments over the past month:

- a) Trenching and reverse air blast circulation drilling has outlined a significant zone of oxidized gold mineralization at the Kirtoge showing. Significant oxide gold mineralization has been outlined over a 250 metres strike length and up to 69 metres wide. The zone is open along strike in both directions.
- b) Reverse air blast circulation drilling has located a new zone of oxide gold mineralization in the Uzboy area approximately 800 metres northeast of the Uzboy west zone.

Item 5 - Full Description of Material Change

Alhambra's Uzboy gold project is located in north central Kazakhstan and covers approximately 11,000 square kilometres (2,718,000 acres) in one of the richest mineral districts within Kazakhstan. This district contains approximately 50% of all the defined gold resources within the country. The Uzboy project includes the Uzboy gold deposit, two past producing gold mines and 110 other significant gold showings.

Kirtoge Zone:

A total of five trenches (1,044 linear metres) and 1,258 metres (102 holes) of reverse air blast circulation drilling (RAB) was completed on the Kirtoge zone located approximately 10 kilometres northeast of the Uzboy gold deposit. The Kirtoge zone occurs within the Shatskya mineral trend which also hosts the Uzboy gold deposit. The RAB drilling was completed on sections 50 meters apart with collar locations at 5 meters intervals on each section. The depth of the holes varies (averages 12.0 metres) from section to section due to the depth of the water table and hardness of the rock. All holes were terminated in oxide material. All samples from the RAB drilling and trenching were analyzed by atomic absorption. The weighted average grade for the RAB drilling (using a 0.20g/t cutoff) on each section are as follows:

Section	From (m)	To(m)	Interval (m)	Average Grade (g/t)
0+00W	0+00S	50+00S	50.00	0.56
50+00W	40+00S	60+00S	20.00	0.47
100+00W	15+00S	80+00S	65.00	0.73

Kirtoge Trenching Program:

Channel samples weighing between 5.0 and 8.0 kilograms were collected by cutting channels that measured approximately 10 cm wide, 5 cm deep and 200 cm long along the bottom of each trench. The weighted average grade (using a 0.20 g/t cutoff) for the mineralized intervals in each trench is set out below:

Trench No.	Section	From (m)	To(m)	Interval (m)	Average Grade (g/t)
T00	0+00W	20+00S	43+00S	23.00	0.88
		49+00S	66+00S	17.00	0.26
T01	50+00W	74+00S	121+00S	47.00	0.35
T02	50+00E	16+00S	18+00S	2.00	1.00
		56+00S	59+00S	3.00	0.37
		70+00S	72+00S	2.00	0.25
		77+00S	80+00S	3.00	0.32
T03	100+00W	00+00S	69+00S	69.00	0.65
Includes 1.01 g/t over 31.0 metres					
		134+00S	137+00S	3.00	0.60
T05	150+00W	12+00S	63+00S	51.00	0.70
Includes 1.01 g/t over 31.0 metres					
		104+00S	106+00S	2.00	0.68

Oxide gold mineralization has been outlined over a minimum horizontal distance of 250 metres and is open to the northeast and the southwest.

The maximum gold grade in the RAB holes is 5.7 g/t over 2.0 metres and the maximum gold grade in the channel samples from the trenches is 6.0 g/t over 2.0 metres. In general, the deeper RAB holes contain higher weighted average gold grades indicating an increase in gold grade with depth. A comparison of the trenching and RAB results from the Kirtoge zone suggests that in places the trenching did not reach the top of the oxide gold mineralization. A similar relationship was observed at the Uzboy west zone in 2002.

Uzboy Area:

Preliminary RAB circulation drilling has located a new zone of oxide gold mineralization (designated the North East Zone) approximately 800 metres northeast of the Uzboy west zone. A total of 19 RAB holes were completed on a single profile. The maximum depth of the RAB drilling is 18.0 metres. The atomic absorption results indicate that this zone is approximately 50 metres wide and has a weighted average grade (using a 0.20 g/t cutoff) of 0.30 g/t gold. This zone is considered significant because of its proximity to the Uzboy west zone and suggests that additional zones of the gold mineralization can occur within the immediate Uzboy area.

Technical Parameters:

The RAB holes have a 7.6 centimeter diameter. A 2.0-meter sample interval was utilized. The cuttings from the hole are mechanically split and the samples for analysis are placed in a cloth bag and weighed at the drill site. The weight of the samples ranged between 5 and 6 kilograms. Based on sample weight the recovery from the RAB holes is estimated to be almost 100%.

The samples were prepared and analyzed by atomic absorption at the laboratory of Reactive Ltd. located in Stepnogorsk. Reactive Lab is a certified laboratory in Kazakhstan and their analytical results are acceptable to all Kazakhstani government bodies including the GKZ. Reactive does not have an International Standards Organization (ISO) rating. Sample preparation included drying, pulverizing (1mm in size), mixing several times and splitting to obtain a sample for analytical purposes. A 1 kilogram sample of the split material is then ground to 74 microns from which a 10 gram aliquot of the 74 micron material is fired for a period of 1.5 hours at 650 degrees centigrade. The burnt sample is digested in aqua-regia acid and the gold concentration in the sample is determined by atomic absorption spectrometry. For internal control purposes 10% of the samples are re-analyzed.

Elmer B. Stewart, MSc. P. Geol., President of Alhambra, is the Company's nominated Qualified Person responsible for monitoring the supervision and quality control of the exploration programs completed on the Uzboy Property. Mr. Stewart has reviewed and verified the technical information contained in this news release.

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

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

Elmer B. Stewart
Telephone: (403) 228-2855 or
Toll Free at 1-888-290-1335
Facsimile: (403) 228-2865

Item 9 - Date of Report

This report is dated this 16th day of December, 2004.



NEWS RELEASE

December 16, 2004

FOR IMMEDIATE RELEASE

www.alhambraresources.com

ALHAMBRA LOCATES SIGNIFICANT ZONE OF OXIDE GOLD MINERALIZATION

Calgary, Alberta - Alhambra Resources Ltd. (TSX Venture "ALH") is pleased to provide an update on the results of the 2004 exploration program at its 100% owned Uzboy gold project located in north central Kazakhstan. Important developments are highlighted as follows:

a) Trenching and reverse air blast circulation drilling has outlined a significant zone of oxidized gold mineralization at the Kirtoge showing. Significant oxide gold mineralization has been outlined over a 250 metres strike length and up to 69 metres wide. The zone is open along strike in both directions.

b) Reverse air blast circulation drilling has located a new zone of oxide gold mineralization in the Uzboy area approximately 800 metres northeast of the Uzboy west zone.

Alhambra's Uzboy gold project is located in north central Kazakhstan and covers approximately 11,000 square kilometres (2,718,000 acres) in one of the richest mineral districts within Kazakhstan. This district contains approximately 50% of all the defined gold resources within the country. The Uzboy project includes the Uzboy gold deposit, two past producing gold mines and 110 other significant gold showings.

Exploration Results:

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For further information please contact:

Elmer B. Stewart - President & Chief Operating Officer
Telephone: (403) 228-2855

OR

Jim Clarke, Investor Relations
Toll Free: 1-888-290-1335

The TSX Venture Exchange Inc. has not reviewed and does not accept responsibility for the adequacy or accuracy of this news release.