

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

ALHAMBRA RESOURCES LTD.(the “Company”)
#330, 700 – 6th Avenue SW
Calgary, AB T2P 0T8

Item 2 Date of Material Change

December 2, 2008

Item 3 News Release

Issued December 2, 2008 and distributed through the facilities of Canadian News Wire and SEDAR.

Item 4 Summary of Material Change

Item 5 CALGARY, Alberta – Alhambra Resources Ltd. (“Alhambra” or the “Corporation”) announces its financial and operating results for the quarter ended September 30, 2008. All amounts related to the financial results are expressed in United States dollars unless otherwise indicated.

Item 6 Full Description of Material Change

See attached news release dated December 2, 2008.

Item 7 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

Item 8 Omitted Information

Not Applicable

Item 9 Executive Officer

The following executive officer of the Company is knowledgeable about the material change:
Ihor P. Wasylikiw, Chief Information Officer of Alhambra. Telephone: (403) 508-4953.

Item 10 Date of Report

DATED at Calgary, Alberta, this December 2nd, 2008.



NEWS RELEASE

FOR IMMEDIATE RELEASE – December 2, 2008

FOR: Alhambra Resources Ltd.

SUBJECT: Financial and Operating Results for Third Quarter ending September 30, 2008

CALGARY, Alberta – Alhambra Resources Ltd. (“Alhambra” or the “Corporation”) announces its financial and operating results for the quarter ended September 30, 2008. All amounts related to the financial results are expressed in United States dollars unless otherwise indicated.

HIGHLIGHTS:

- Stacking operations – up in the 3rd quarter and ahead of 2007 levels
- Production - 3rd quarter production up 141% to 9,905 ounces from 4,116 ounces in the 2nd quarter of 2008
- Sales – 3rd quarter sales up 51% to 4,952 ounces from 3,272 ounces in the 2nd quarter of 2008
- Crushing unit - fully operational and allowing stacking of higher gold grade oxide ore
- Revenue from gold sales amounted to \$4.3 million based on the sale of 4,952 ounces
- Generated \$1.2 million of positive funds flow and \$0.3 million of net income from mining operations
- The Corporation recorded funds flow from operating activities of \$0.8 million (\$0.01/share) and a net loss of \$0.2 million (\$0.01/share)
- Spent \$0.9 million on capital expenditures of which \$0.8 million was on exploration
- Cash operating costs were \$542.53 per ounce of gold sold
- Completed 23,297 metres of Reverse Air Blast drilling and 287 square kms of geophysical surveys
- The recoverable gold in work in process as of September 30, 2008 was 29,077 ounces
- Two legal disputes arose in the quarter

OVERVIEW

The 3rd quarter of 2008 was the first quarter in which the recently commissioned crushing unit was operational at the Uzboy gold deposit. This unit is successfully being used to crush the higher grade oxide gold ore from the West zone of the Uzboy gold deposit. The crushing unit provides two benefits to the mining operations being; i) crushing the oxide ore to a finer size prior to stacking which is expected to improve over all gold recovery and ii) mine and stack the harder and higher-grade oxide ore from the West pit which has yielded a higher average gold grade to the heaps.

FINANCIAL HIGHLIGHTS

(in US\$ except per share amounts)	Three Months ended September 30		Nine Months ended September 30	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenue from gold sales	\$ 4,251,565	\$ 3,955,211	\$ 10,079,347	\$ 9,397,843
Net Income (loss)	(196,476)	67,509	(1,986,139)	(1,402,750)
Per basic share	(0.01)	0.00	(0.03)	(0.02)
Weighted average shares outstanding				
Basic	75,774,147	70,739,415	75,676,658	69,925,244
Shares outstanding at end of period	75,774,147	70,911,480	75,774,147	70,911,480

For the 3rd quarter of 2008, the Corporation recorded a net loss of \$0.2 million, or \$0.01 per basic share. This compares to net income of \$0.1 million or \$0.00 per basic share in 2007. Funds flow from operating activities for the 3rd quarters of 2008 and 2007 were basically unchanged at \$0.8 million or \$0.01 per basic share.

Revenue from the sale of gold amounted to \$4.3 million. This was realized from the sale of 4,952 ounces (“ozs”) of gold at an average price of \$858.56 per ounce (“/oz”). The per oz operating cost for the 3rd quarter of 2008 was \$542.53/oz sold as compared to \$376.64/oz sold in the 3rd quarter of 2007. This per unit operating cost increase was mainly due to inflation on major components of Alhambra’s operating costs in Kazakhstan such as salaries, fuel, transportation of ore, and blasting of material for stacking, and a 15% decrease in gold sales. Since over 50% of Alhambra’s operating expenses are fixed in nature, increased mining activities result in lower per unit operating costs.

OPERATIONS PREVIEW

1. STACKING OPERATIONS

With the delivery and commissioning of the crushing unit in the 3rd quarter of 2008, mining activities returned to the higher-grade West pit of the Uzboy gold deposit. During the quarter, mining operations were conducted in both the West and East pit of the Uzboy gold deposit. Mining and stacking parameters for the 3rd quarter of 2008 along with comparative information for 2007 are set out in the table below.

Mining & Stacking Operations	Q3/08	Q3/07	9 Months YTD 2008	9 Months YTD 2007
Waste Mined (t)	578,118	566,945	1,542,043	1,137,995
Waste to Ore Ratio	1.67	1.73	2.04	1.72
Ore Stacked (t)	345,500	328,000	757,250	660,750
Grade of Ore Stacked (g/t)	1.27	0.84	1.02	0.98
Gold Stacked on Heaps (ozs)	14,150	8,829	24,854	20,869
Recoverable Gold Stacked (ozs)	9,905	6,180	17,397	14,608

Recoverable gold estimated to be 70% over life of mine

Convert ozs to grams by multiplying ozs by 31.104

In the 3rd quarter 2008, Alhambra stacked 345,500 tonnes of oxide ore (“ore”) on its heaps compared to 328,000 tonnes of ore stacked in the 3rd quarter 2007. Of the total amount of ore stacked in the quarter, 62% (212,737 tonnes) came from the East pit, 34% (118,013 tonnes) came from the West pit and 4% (14,750 tonnes) came from the low-grade stockpile. Stacking operations for the nine months ended September 30, 2008 was 15% higher than that achieved in the corresponding period 2007.

Waste mined during the 3rd quarter of 2008 increased by 2% to 578,118 tonnes compared to 566,945 tonnes in the corresponding quarter of 2007. The amount of waste mined during the 9 months ended September 30, 2008 totalled 1,542,043 tonnes, an increase of 404,048 over the 1,137,995 tonnes in the corresponding period in 2007. The increase in waste mined was due to the pre-stripping of waste on the East zone in the 1st quarter of 2008 and pushing back the pit wall in the West zone during the 2nd quarter to access higher-grade oxide ore. As a result of the installation of the crushing unit, Alhambra was able to mine the higher-grade oxide ore exposed in the floor of the West pit that was prepared for mining prior to suspension of mining activities in the 3rd quarter of 2007. The ability to access the oxide ore prepared in 2007 in the West pit resulted in a reduction of the waste mined during the 3rd quarter. As a result, the waste to ore ratio for the 3rd quarter of 2008 of 1.67 was 29% lower than that experienced in the 1st half of 2008 and 3% lower than in the 3rd quarter of 2007.

The gold grade of ore stacked in the 3rd quarter of 2008 averaged 1.27 grams per tonne (“g/t”), a 57% increase over that of the 1st half of 2008 when the gold grade of the ore averaged 0.81 g/t. The commencement of mining and crushing prior to stacking of a 150,000 tonne block of higher-grade oxide ore exposed in the floor of the West pit was the primary reason for the increase in the average grade of the ore stacking in the 3rd quarter. The average grade of oxide ore stacked in the 3rd quarter of 2007 was 0.84 g/t gold. Alhambra plans to continue mining and stacking oxide ore from both the West and East pit during the 4th quarter of 2008.

During the 3rd quarter of 2008, Alhambra stacked 345,500 tonnes at an average grade of 1.27 g/t gold from the West and East pits which was an increase of 5% over the tonnes of ore stacked and 51% over the grade achieved during the comparable quarter in 2007.

For the 9 months ended September 30, 2008, the amount and grade of ore stacked from the West and East pits were up 15% and 4%, respectively, versus the comparable period in 2007.

2. PRODUCTION AND SALES

A table summarizing production and sales follows:

Production and Sales	Q3/08	Q3/07	9 Months YTD 2008	9 Months YTD 2007
Gold Sales (ozs)	4,952	5,843	11,364	14,193
Change in Work in Progress (ozs)	4,953	337	6,033	415
Gold Production (ozs)	9,905	6,180	17,397	14,608

Gold production is defined as sales + the change in Work in Progress

During the 3rd quarter of 2008, gold sales amounted to 4,952 ounces (“ozs”). Gold sales during the 3rd quarter of 2008 increased by 1,680 ozs or 51% when compared to the 2nd quarter 2008, however, gold sales decreased by 891 ozs when compared to that sold in the 3rd quarter 2007.

In addition to the 4,952 ozs of gold sold in the quarter an additional 1,095 ozs of gold produced in the 3rd quarter was shipped to the refinery on September 30, 2008 and sold early in October, 2008. The Corporation’s accounting policy for revenue recognition requires this sale to be recorded in the 4th quarter. If the 1,095 oz shipment had been recorded in the 3rd quarter, actual sales would have been higher than that recorded in the 3rd quarter of 2007.

During the 3rd quarter of 2008, Alhambra stacked an estimated 9,905 ounces of recoverable gold compared to 6,180 ounces in the corresponding period in 2007. After gold sales of 4,952 ounces during the quarter, the estimated recoverable gold classified as work in progress increased from 24,124 ozs of recoverable gold at the end of the 2nd quarter to 29,077 ounces at the end of the 3rd quarter 2008, an increase of 4,953 ounces.

The addition of an estimated 4,953 ounces in recoverable gold classified as work in progress during the 3rd quarter 2008, exceeded the estimated 4,116 ozs produced in the 2nd quarter of 2008. This increase in estimated gold production can be directly attributable to crushing and stacking higher-grade oxide ore from the West pit and a modest increase in the tonne of oxide ore stacked during the quarter.

3. EXPLORATION PROGRAM OVERVIEW

In line with Alhambra’s shift in exploration focus in the 1st quarter 2008, exploration activities completed during the 3rd quarter consisted of geophysical surveys and Reverse Air Blast drilling (“RAB”). Certain results related to the exploration activities completed by Alhambra during the 3rd quarter were previously released by way of news releases made by the Corporation. A full exploration program overview of the Third Quarter of 2008 is available on the Corporation’s website as contained in the Management Discussion and Analysis and is available under the Corporation’s profile on SEDAR at www.sedar.com.

CAPITAL EXPENDITURES

Expenditures on mining assets for the three months ended September 30, 2008 totaled approximately \$0.9 million. Of this total, \$0.8 million was spent on exploration with the remaining \$0.1 million spent on capital projects.

LEGAL DISPUTES

a) Victoria Oil and Gas PLC (“Victoria”)

As a result of litigation in the Republic of Kazakhstan (“Kazakhstan”) to which Alhambra was not a named party, legal title to an oil and natural gas license (the “Kemerkol License”) was reinstated in the name of Saga Creek Gold Company LLP (“Saga Creek”), the Corporation’s wholly-owned subsidiary in Kazakhstan. Prior to the litigation, the Kemerkol License was owned by a subsidiary of Victoria but title thereto was reinstated in the name of Saga Creek as a result of this litigation. Consequently Victoria commenced legal proceedings in the Court of Queen’s Bench of Alberta (the “Alberta Court”) on September 26, 2008 against Alhambra and others to prevent Saga Creek from disposing of the Kemerkol License until entitlement thereto has been determined by the Alberta Court. The Alberta Court granted a temporary injunction in that regard on September 26, 2008, which decision Alhambra has appealed to the Alberta Court of Appeal. The Alberta Court action alleges that the vendor who had previously sold the Kemerkol License to Victoria had acted fraudulently in bringing about the result of the Kazakhstan litigation and that Alhambra helped facilitate this outcome. Alhambra denies these allegations and believes they have no merit. The Alberta Court action seeks reinstatement of the Kemerkol License and punitive damages of \$5,000,000 from the defendants. Alhambra believes the Alberta Court action is unfounded because ownership of the Kemerkol License is not within the jurisdiction of the Alberta Court. Alhambra believes there is no prospect of its being held liable for such damages.

b) Marsa Aktiengesellschaft and Teragol Investments Limited (the “Plaintiffs”)

On October 3, 2008, the Corporation was served with a legal claim filed by the Plaintiffs in the Specialized Interdistrict Economic Court in East Kazakhstan (the “Lower Court”) on September 25, 2008 seeking to invalidate the original Partnership Unit Purchase and Exchange Agreement (the “Agreement”), dated March 21, 2002, as amended, whereby Alhambra purchased Saga Creek from the Plaintiffs. The basis for the claim is that the Corporation’s 100% owned subsidiary, Alhambra Overseas Limited, incorporated to hold Alhambra’s interest in Saga Creek, was not incorporated at the time the Agreement was initially entered into and despite the fact that such incorporation was subsequently completed soon thereafter. Alhambra applied to the Lower Court to have the litigation dismissed for the lack of jurisdiction, however, such application was denied as was the appeal to the Civil Cases Review Board, East Kazakhstan Oblast Court. As a result, hearings in the Lower Court on the merits of the case began on November 17, 2008 and were completed on November 24, 2008. On November 25, 2008 the Lower Court rendered its decision in favour of the Plaintiffs. In addition, the Lower Court has issued an injunction that prohibits Saga Creek from transferring the subsoil use rights related to Saga Creek’s mineral licenses and the Kemerkol license to any third party and from transferring any funds of Saga Creek to the accounts of Alhambra. Alhambra believes the Lower Court erred in its judgment and intends to appeal the Lower Court decision within the fifteen calendar day time limit as required under Kazakhstan law. While Alhambra will continue to seek remedies under Kazakhstan law should the appeal be unsuccessful, the Plaintiffs would have the right at that time to begin the process to enforce the decision.

To September 30, 2008 Alhambra has advanced Saga Creek approximately \$21.5 million to fund its operations and capital expenditure programs. This amount is evidenced by a loan agreement that has been registered with the Central Bank of Kazakhstan. As this loan is separate and distinct from the Agreement, Alhambra believes this would be an enforceable obligation of Saga Creek for which Alhambra would demand repayment should its appeals prove unsuccessful.

MANAGEMENT DISCUSSION AND ANALYSIS (“MD&A”) AND FINANCIAL RESULTS

A full MD&A and Financial Report of the Third Quarter of 2008 is available on the Corporation’s website, can be obtained on application from the Company and is available under the Corporation’s profile on SEDAR at www.sedar.com.

Elmer B. Stewart, MSc. P. Geol., a director of Alhambra and a technical consultant, is the Corporation’s nominated Qualified Person responsible for monitoring the supervision and quality control of the programs completed within the Uzboy Project. Mr. Stewart has reviewed and verified the technical information contained in this news release.

ABOUT ALHAMBRA

Alhambra is a Canadian based gold exploration and production corporation engaged in the exploration of and production from its 100% owned Uzboy Project. Alhambra is currently in its seventh year of operations in the Republic of Kazakhstan.

Alhambra common shares trade on The TSX Venture Exchange under the symbol ALH and in Germany on the Frankfurt Open Market under the symbol A4Y. The Corporation’s website can be accessed at www.alhambraresources.com.

Elmer B. Stewart, MSc. P. Geol., a director of the Corporation and a technical consultant, is the Corporation’s nominated Qualified Person responsible for monitoring the supervision and quality control of the programs completed within the Uzboy Project. Mr. Stewart has reviewed and verified the technical information contained in this news release.

The TSX Venture Exchange Inc. has neither approved nor disapproved the information contained herein.

For further information please contact:

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Forward-Looking Statements

This press release includes certain “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential mineralization, exploration results and timing and future plans, actions, objectives and achievements of Alhambra, are forward-looking statements. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from Alhambra’s expectations include fluctuations in gold prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits, the possibility of adverse developments in the financial markets generally, and other risks and uncertainties disclosed under the heading “Cautionary Note Concerning Reserve and Resource Estimates” and in other information released by Alhambra and filed with the appropriate regulatory agencies.