

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

ALHAMBRA RESOURCES LTD.(the “Company”)
#3A, 4015 – 1th Street S.E.
Calgary, AB T2G 4X7

Item 2 Date of Material Change

June 4, 2010

Item 3 News Release

Issued June 4, 2010 and distributed through the facilities of Marketwire and SEDAR.

Item 4 Summary of Material Change

CALGARY, Alberta – Alhambra Resources Ltd. (TSX-V: ALH) (“Alhambra” or the “Corporation”) announces its financial and operating results for the first quarter ended March 31, 2010. All amounts related to the financial results are expressed in United States dollars unless otherwise indicated.

Item 5 Full Description of Material Change

See attached news release dated June 4, 2010.

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 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 9 Date of Report

DATED at Calgary, Alberta, this June 4th, 2010.



NEWS RELEASE

FOR IMMEDIATE RELEASE – June 4, 2010

FOR: Alhambra Resources Ltd.

SUBJECT: First Quarter 2010 Financial and Operational Results

CALGARY, Alberta – Alhambra Resources Ltd. (TSX-V: ALH) (“Alhambra” or the “Corporation”) announces its financial and operating results for the first quarter ended March 31, 2010. All amounts related to the financial results are expressed in United States dollars unless otherwise indicated.

HIGHLIGHTS

- Un-seasonally cold weather in the first quarter of 2010 resulted in lower quantities of ore stacked (30%) and lower gold recoveries and sales (40%) versus historical averages. Actual gold sales for the quarter amounted to 1,892 ounces (“ozs”)
- Revenue from gold sales amounted to \$2.1 million
- A net loss of \$0.8 million (\$0.01/basic share) was recorded
- Funds flow used in operating activities was \$0.2 million (\$0.00/basic share)
- Generated positive funds flow of \$0.1 million (\$0.00/basic share) from mining operations at Saga Creek
- Stacked 117,536 tonnes (“t”) of ore on the heaps at an average grade of 0.78 grams/tonne (“g/t”)
- The recoverable gold in work in progress (“WIP”) as of March 31, 2010 was 31,127 ozs
- Spent \$0.3 million on its mining projects
- Cash operating costs increased to \$803.24 per ounce (“/oz”) of gold sold which included \$225/oz related to the approximate \$7,000,000 bump-up to fair value from the estimated cost of WIP on re-valuation at September 15, 2009

OVERVIEW

Operations at Alhambra’s 100% owned Kazakhstan subsidiary, Saga Creek, are seasonal. Gold production and sales during the cold weather months are less than other months. As a result, production and sales of gold during the months of December through May will be less than during other months of the year.

Due to the extremely cold winter experienced at the Uzboy mine in the first quarter of 2010, the amount of gold stacked was approximately 50% less than forecasted. This extremely cold weather also resulted in the heap freezing to deeper depths than in past years thus lowering gold recoveries from solution resulting in lower gold production and sales. Gold production and sales were also down due to the mining of lower average gold grade ore from the Uzboy East Zone as mining in the West Zone has been temporarily suspended. Mining from the West Zone is expected to resume late in the third quarter of 2010. Hence, the amount of gold sold was below expectations and was approximately 40% lower than normal historical averages.

FINANCIAL HIGHLIGHTS

The financial results for the first quarter of 2010 include the contribution of Saga Creek while the first quarter of 2009 does not include Saga Creek. As a result, the financial results recorded for the first quarter of 2010 are not necessarily comparative to the financial results for the first quarter of 2009.

US\$ except per share amounts)	Three Months ended March 31	
	2010	2009
Revenue from gold sales	\$ 2,124,111	\$ -
Net loss	(766,590)	(676,735)
Per share (basic and diluted)	(0.01)	(0.01)
Weighted average shares outstanding		
Basic and diluted	81,074,421	75,774,147
Shares outstanding at end of period	81,074,421	75,774,147

For the first quarter of 2010, revenue from the sale of gold amounted to \$2.1 million. This was realized from the sale of 1,892 ozs of gold at an average price of \$1,122.68 per ounce (“/oz”).

The Corporation recorded a net loss of \$0.8 million, or \$0.01 per basic and diluted share for the first quarter of 2010. This compares to a net loss of \$0.7 million or \$0.01 per basic and diluted share for the first quarter of 2009. Funds flow used in operating activities for the first quarter of 2010 was \$0.6 million or \$0.01 per share. Mining operations at Saga Creek continued to contribute positive funds flow of \$0.1 million for the first quarter of 2010.

OPERATING EXPENSES

Operating expenses consist of all costs associated with the production of gold, (including direct costs incurred in the mining, leaching and resin stripping processes (“process operating costs”)), transportation and refining of the cathodic sediment and depreciation, depletion and accretion on assets involved in mining activities. In addition, the fair value assigned to mineral assets at September 15, 2009 is amortized to WIP based on the volumes of recoverable gold processed as a percentage of resources attributed to the Uzboy Project. All process operating costs charged to WIP are expensed on the basis of the quantity of gold sold as a percentage of total recoverable gold mined.

Operating costs for the first quarter of 2010 totaled \$1,519,735 or \$803.24/oz of gold sold. Included in this amount is approximately \$225/oz related to the amortization of the bump-up to fair value from the estimated cost of WIP on re-valuation at September 15, 2009. Excluding the bump-up, the operating cost would have been approximately \$578/oz of gold sold.

The per unit operating cost increase was due to the inclusion of the bump-up and the lower than expected gold sales. Previous years’ operating costs included only actual cash production costs. Alhambra anticipates that as production and sales continue to increase in subsequent quarters, the unit operating costs will decline, however, it is also anticipated that on a per oz basis, the operating cost bump-up component will remain relatively constant over the period of time that it takes to sell the WIP inventory upon which the bump-up is based (i.e. 30,901 ozs as of September 15, 2009).

OPERATING HIGHLIGHTS

During the first quarter of 2010, the Corporation stacked a total of 117,536 t of ore at an estimated average grade of 0.78 g/t of gold onto the pads. The estimated recoverable gold mined totaled 1,925 ozs. The estimated recoverable gold classified as WIP was 31,127 ozs as of March 31, 2010. In addition, the Corporation mined 444,218 t of waste during this same period.

The Corporation has under taken a program to reduce the rate of increase in the WIP. Fluffing of older leached areas has been started in the second quarter of 2010 and the re-leaching of these areas has begun. In addition, other plans to further reduce this rate of increase are being evaluated.

CAPITAL AND EXPLORATION PROGRAMS

In the first quarter of 2010, Alhambra spent \$0.3 million in capital expenditures on Saga Creek's mining projects. Due to severe winter conditions, exploration activities during the quarter were relatively modest focusing on a diamond drilling program on the Nova Zone ("Uzboy Nova") located 1 kilometre ("km") northeast of the current open pit on the Uzboy East gold deposit. The objective of this diamond drilling program was to test the strike and depth extension of the oxide gold mineralization identified to date and to provide additional information on sulphide potential. Results of the drilling program have yet to be received. In addition, costs were also incurred as part of the evaluation process being undertaken on advanced and early stage exploration targets.

UNAUDITED FINANCIAL STATEMENTS AND MANAGEMENT DISCUSSION AND ANALYSIS ("MD&A")

The Corporation's first quarter 2010 financial statements and MD&A are available on the Corporation's website, can be obtained on application from the Corporation and are available under the Corporation's profile on SEDAR at www.sedar.com.

ABOUT ALHAMBRA

Alhambra is a Canadian based international exploration and gold production corporation celebrating its eighth year of operations in the Republic of Kazakhstan. Alhambra holds exploration and exploitation rights to a 2.7 million acre (11,000 km²), 100% owned, license called the Uzboy Project, located in the prolific Charsk Gold Belt which hosts numerous world-class gold deposits. Over 100 mineral targets, including 5 advanced exploration plays are contained within the Uzboy Project.

Alhambra common shares trade in Canada on The TSX Venture Exchange under the symbol ALH, in the United States on the Over-The-Counter Market under the symbol AHBRE 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 technical consultant, is the Corporation's nominated Qualified Person. Mr. Stewart has reviewed the technical information contained in this news release.

Neither the TSX Venture Exchange Inc. nor its Regulation Services Provider (as that term is defined in the Policies of the TSX Venture Exchange Inc.) accepts responsibility for the adequacy or accuracy of this release.

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Forward-Looking Statements

Certain statements contained in this news release constitute "forward-looking statements" as such term is used in applicable Canadian and US securities laws. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. In particular, statements that Alhambra will accelerate the recovery of gold contained in work in progress, availability of capital to fund ongoing projects and other factors and events described in this news release should be viewed as forward-looking statements to the extent that they involve estimates thereof. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and should be viewed as "forward-looking statements". Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors include, among others, ability to accelerate the recovery of gold contained in work in progress, availability of capital to fund exploration and production development; political, social and other risks inherent in carrying on business in a foreign jurisdiction, the effects of a recessionary economy and such other business risks as discussed herein and other

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publicly filed disclosure documents. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could vary or differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained in this news release.

Forward looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Corporation undertakes no obligation to update forward-looking statements and if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable law.

This news release contains forward-looking statements based on assumptions, uncertainties and management's best estimates of future events. When used herein, words such as "intended" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on assumptions by and information available to the Corporation. Investors are cautioned that such forward-looking statements involve risks and uncertainties. Actual results may differ materially from those currently anticipated. The forward-looking statements contained herein are expressly qualified by this cautionary statement.