

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item One – Name and Address of Company**

Etruscan Resources Inc.  
PO Box 2020  
48 Gerrish Street  
Windsor NS B0N 2T0

**Item Two - Date of Material Change**

January 11, 2005.

**Item Three - News Release**

The attached press release was issued in Windsor, Nova Scotia, on January 11, 2005, via Canada Newswire.

**Item Four - Summary of Material Change**

On January 11, 2005, Etruscan Resources Inc. (EET.TSX) announced the receipt of a positive feasibility study for the Youga Gold Project in Burkina Faso, West Africa. The feasibility study concludes that Youga will produce an average of 88,000 ounces of gold per year at a cash operating cost of US\$255 per ounce over a 5.5-year mine life.

**Item Five - Full Description of Material Change**

On January 11, 2005, Etruscan Resources Inc. (EET.TSX) announced the receipt of a positive feasibility study for the Youga Gold Project in Burkina Faso, West Africa. The feasibility study concludes that Youga will produce an average of 88,000 ounces of gold per year at a cash operating cost of US\$255 per ounce over a 5.5-year mine life. MDM Ferroman (Pty) Ltd. (“MDM”) of Randburg, South Africa was the lead consultant engaged by Etruscan to oversee completion of the study.

The feasibility study is based on mineable reserves of 5.5 million tonnes of ore with an average grade of 2.9 grams per tonne calculated at an un-hedged gold price of US\$400 per ounce. The reserve estimation was completed by RSG Global of Perth, Australia in accordance with National Instrument 43-101. The study proposes open pit mining of three pits via contract mining with the ore to be processed through a conventional gravity-CIL (carbon-in-leach) plant with a design capacity of 1 million tonnes per annum. The average gold recovery and mining strip ratio are respectively 93% and 5.5:1. Initial capital costs for the Project are estimated to be US\$34 million excluding working capital. The Project internal rate of return (IRR) is calculated to be 26% assuming the Project is 100% equity financed.

MDM was engaged to provide plant and infrastructure design and costing as well as the overall study management. Mineral resource estimation, open pit optimization, mineral reserves and

mining costs were provided by RSG Global. SGS (Ghana) was contracted to complete the Environmental Impact Assessment for the Project. Metallurgical testwork was performed by Mintek of South Africa and mill sizing was provided by Orway Minerals Consultants of Perth, Australia. Pit slope design was performed by Golder and Associates of Reno, Nevada. Digby Wells and Associates of South Africa performed the geotechnical work as well as the tailings dam design. The Qualified Person overseeing the feasibility study is Robert Harris, P.Eng., Etruscan's Vice President Operations. David Duncan, P.Geo., Etruscan's chief geologist, is the Qualified Person managing the resource and reserve components of the study.

An Exploitation Permit for the Project was granted by the Government of Burkina Faso in April 2003 to Burkina Mining Company (BMC) on the basis of an earlier feasibility study commissioned by Ashanti. This permit is valid for 20 years. Etruscan holds a 90% interest in BMC with the remaining 10% held by the Government of Burkina Faso.

Etruscan acquired BMC and the Youga Gold Deposits from Ashanti Goldfields Company Limited and Echo Bay Mines Limited in December 2003. During 2004 Etruscan completed a 11,939 meter drilling program directed at increasing the confidence level of the gold resources in conjunction with the completion of a bankable feasibility study. Etruscan's drilling was directed at 3 of the 5 known gold deposits previously identified by Ashanti; A2 Main deposit, A2 East deposit and A2 West Zone 1 deposit. The two other deposits which were included in resource estimations previously prepared by Ashanti (A2 West Zone 2 and A2 West Zone 3) are currently being drilled by Etruscan with independent updated resource estimations expected in several weeks. The resource estimates at a 1.0 gram per tonne cutoff grade for the three deposits which are the focus of the feasibility study were prepared by RSG Global in accordance with National Instrument 43-101 and were summarized in a table included in the release.

Etruscan has engaged RMB Resources Ltd. ("RMB"), a wholly owned business of Rand Merchant Bank of South Africa, to arrange project debt financing. RMB has completed its initial project due diligence and credit review. Etruscan targets completion of the project financing by second quarter 2005. In the interim Etruscan has initiated the procurement of certain equipment and intends to quickly launch the detailed engineering and design phases of the Project.

#### **Item Six – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not Applicable.

#### **Item Seven - Omitted Information**

Not Applicable.

#### **Item Eight - Executive Officer**

Janice A. Stairs, Vice-President, General Counsel and Secretary, (902) 798-9701.

#### **Item Nine – Date of Report**

Executed this 13<sup>th</sup> day of January, 2005 at Windsor, Nova Scotia by Janice A. Stairs, Vice-President, General Counsel and Secretary.



Symbol: EET.TSX

# NEWS RELEASE

## POSITIVE FEASIBILITY STUDY FOR YOUNGA GOLD PROJECT

**January 11, 2005, Windsor, Nova Scotia – Etruscan Resources Inc. (EET.TSX)** announced today the receipt of a positive feasibility study for the Youga Gold Project in Burkina Faso, West Africa. The feasibility study concludes that Youga will produce an average of 88,000 ounces of gold per year at a cash operating cost of US\$255 per ounce over a 5.5-year mine life. MDM Ferroman (Pty) Ltd. (“MDM”) of Randburg, South Africa was the lead consultant engaged by Etruscan to oversee completion of the study.

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The following table sets out the Project IRR’s at varying gold price assumptions using the same gold reserves calculated at a US\$400 gold price with 100% equity financing:

Au Price (US\$)	Project IRR
\$375	17%
\$400	26%
\$425	33%
\$450	41%

Gerald McConnell, President and CEO of Etruscan, stated:

*“With the feasibility study now complete we are looking forward to getting on with the business of building a gold mine at Youga that we expect will have a mine life extending well beyond the initial projections. The approach we are applying to the development of the Youga gold deposits is similar to what we have successfully applied at the Samira Hill Mine in Niger. We are initially financing the development of a centrally located processing facility with starter pits, after which we expect to expand the mine life with the development of additional open pits located within trucking distance of the mill. Furthermore, with the recent*

*addition of five new permits contiguous to our Youga property we have effectively secured over 700 square kilometers of highly prospective Tarkwaian sediments along the border with Ghana to which our technical team will be applying its proven exploration methods.*

*The government of Burkina Faso has demonstrated that this country is open for gold mining business with no fewer than 4 projects presently ready for mine development. We look forward to the Youga Project representing the beginning of a long term relationship between Etruscan and the country of Burkina Faso.”*

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<b>Measured</b>			<b>Indicated</b>			<b>Inferred</b>		
Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
3,193,000	3.5 gpt	357,000	4,155,000	2.4 gpt	316,000	1,361,000	1.7 gpt	75,000

Etruscan has engaged RMB Resources Ltd. ("RMB"), a wholly owned business of Rand Merchant Bank of South Africa, to arrange project debt financing. RMB has completed its initial project due diligence and credit review. Etruscan targets completion of the project financing by second quarter 2005. In the interim Etruscan has initiated the procurement of certain equipment and intends to quickly launch the detailed engineering and design phases of the Project.

Etruscan Resources Inc. is a diversified Canadian junior mining company that is focused on the exploration and development of gold properties in West Africa and diamond properties in South Africa. The common shares of Etruscan are traded on The TSX Exchange under the symbol "EET". More extensive information on Etruscan can be found on its home page at <http://www.etruscan.com>.

For more information from Etruscan contact:

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This press release may contain certain forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements may include statements regarding exploration results and budgets, mineral reserve and resource estimates, work programs, capital expenditures, mine operating costs, production targets and timetables, future commercial production, strategic plans, market price of precious metals or other statements that are not statements of fact. Although the Company believes the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Various factors that may affect future results include, but are not limited to: fluctuations in market prices of precious metals; foreign currency exchange fluctuations; risks relating to mining exploration and development including reserve estimation and costs and timing of commercial production; requirements for additional financing; political and regulatory risks, and other risks and uncertainties described in the Company's annual information form filed with the Canadian Securities regulators on SEDAR ([www.sedar.com](http://www.sedar.com)). Accordingly, readers should not place undue reliance on forward-looking statements.

NO REGULATORY AUTHORITY HAS APPROVED OR DISAPPROVED THE CONTENT OF THIS RELEASE