

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

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

Etruscan Resources Inc. (the “Company”)  
PO Box 2020  
48 Gerrish Street  
Windsor NS B0N 2T0

**Item Two - Date of Material Change**

January 13, 2006

**Item Three - News Release**

The attached news release was issued in Windsor, Nova Scotia on January 13, 2006 via Canada Newswire.

**Item Four - Summary of Material Change**

On January 13, 2006, the Company announced that its Board of Directors (the “Board”) has adopted a shareholder rights plan (“Rights Plan”).

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

On January 13, 2006, the Company announced that its Board of Directors (the “Board”) has adopted a shareholder rights plan (“Rights Plan”). The Rights Plan has been adopted to ensure the fair treatment of shareholders in connection with any take-over offer for the Company and is not intended to prevent take-over bids that treat shareholders fairly. The Rights Plan will also provide the Board with more time to fully consider any unsolicited take-over bid and to pursue, if appropriate, other alternatives to maximize shareholder value in the event of a takeover bid. The Rights Plan became effective on January 17, 2006 upon receipt of the approval of the Toronto Stock Exchange. The Rights Plan was not adopted in response to any proposal to acquire control of the Company.

Summary of the Rights Plan

The following is a summary of the principal terms of the Rights Plan, which summary is qualified by and is subject to the full terms and conditions of the Rights Plan. A signed copy of the Rights Plan is available from the Secretary of the Company upon written request or at [www.sedar.com](http://www.sedar.com). Except as otherwise defined herein, capitalized terms used herein have the meanings ascribed thereto in the Rights Plan.

### Issue of Rights

Effective as of the close of business on January 17, 2006, one right (a “Right”) was issued and is attached to each outstanding Common Share of the Company. One Right will also be issued and attach to each Common Share of the Company (and any other share in the capital stock or voting interests of the Company entitled to vote generally in the election of directors)(collectively, “Voting Shares”) issued thereafter, subject to the limitations set forth in the Rights Plan.

### Acquiring Person

An Acquiring Person is a person that Beneficially Owns 20% or more of the outstanding Voting Shares. An Acquiring Person does not, however, include the Company or any Subsidiary of the Company, or any person that becomes the Beneficial Owner of 20% or more of the Voting Shares as a result of certain exempt transactions. These exempt transactions include where any person becomes the Beneficial Owner of 20% or more of the Voting Shares as a result of, among other things: (i) specified acquisitions of securities of the Company, (ii) acquisitions pursuant to a Permitted Bid or Competing Bid (as described below), (iii) specified distributions of securities of the Company, (iv) certain other specified exempt acquisitions including for portfolio managers, mutual funds and other similar entities with no present intention to take control of the Company, and (v) transactions to which the application of the Rights Plan has been waived by the Board.

### Rights Exercise Privilege

The Rights will separate from the Voting Shares to which they are attached and will become exercisable at the close of business (the “Separation Time”) on the tenth business day after the earliest of: (a) the first date of public announcement that a person and/or others associated, affiliated or otherwise connected to such person, or acting in concert with such person, have become an Acquiring Person; (b) the date of commencement of, or first public announcement of the intent of any person to commence, a take-over bid, other than a Permitted Bid or a Competing Bid; and (c) the date upon which a Permitted Bid or a Competing Bid ceases to be such, or such later date as the Board of Directors may determine in good faith. Subject to adjustment as provided in the Rights Plan, each Right will entitle the holder to purchase one Common Share for an exercise price (the “Exercise Price”) equal to \$50.

A transaction in which a person becomes an Acquiring Person is referred to as a “Flip-in Event”. Any Rights held by an Acquiring Person on the occurrence of a Flip-in Event will become null and void.

After the close of business on the tenth business day after the first public announcement of the occurrence of a Flip-in Event, the Rights (other than those held by the Acquiring Person) will entitle the holder to purchase, for the Exercise Price, that number of Voting Shares having an aggregate market price (based on the prevailing market price at the time of the consummation or occurrence of the Flip-in Event) equal to twice the Exercise Price.

### Impact Once Rights Plan is Triggered

By permitting holders of Rights other than an Acquiring Person to acquire Voting Shares of the Company at a discount to market value, the Rights may cause substantial dilution to a person or group that acquires 20% or more of the voting securities of the Company other than by way of a Permitted Bid or other than in circumstances where the Rights are redeemed or the Board of Directors waives the application of the Rights Plan.

### Certificates and Transferability

Prior to the Separation Time, certificates for Voting Shares will also evidence one Right for each Voting Share represented by the certificate. Certificates issued after January 17, 2006 will bear a legend to this effect. Rights are also attached to Voting Shares outstanding at the close of business on January 17, 2006, although share certificates issued as at that date will not bear such a legend.

Prior to the Separation Time, Rights will not be transferable separately from the attached Voting Shares. From and after the Separation Time, the Rights will be evidenced by Rights certificates which will be transferable and traded separately from the Voting Shares.

### Permitted Bids and Competing Bids

The Rights Plan is not triggered if an offer would allow sufficient time for the Shareholders to consider and react to the offer and would allow Shareholders to decide to tender or not tender without the concern that they will be left with illiquid Voting Shares should they not tender.

A “Permitted Bid” is a take-over bid where the bid is made by way of a take-over bid circular and: (i) is made to all holders of Voting Shares, other than the offeror, for all of the Voting Shares held by those holders; (ii) the bid is irrevocably open for acceptance for at least 60 days and provides that both deposit and withdrawal rights extend throughout the bid period; (iii) the bid must not permit Voting Shares tendered pursuant to the bid to be taken up unless at such time more than 50% of the Voting Shares held by Shareholders other than the bidder, its affiliates and Persons acting jointly or in concert with the bidder (the “Independent Shareholders”) have been tendered pursuant to the take-over bid and not withdrawn; and (iv) the bid provides that if the condition in (iii) is met, that fact will be publicly announced and the bid will be extended for at least 10 Business Days following such announcement.

A “Competing Bid” is a take-over bid made after a Permitted Bid has been made and prior to the expiry of the Permitted Bid and that satisfies all the criteria of a Permitted Bid except that since it is made after a Permitted Bid has been made, the minimum deposit period and the time period for the take-up of and payment for shares tendered under a Competing Bid is not 60 days, but is instead the later of (i) 35 days after the Competing Bid is made; and (ii) 60 days after the earliest date on which any other Permitted Bid or Competing Bid is made that is then in existence.

Neither a Permitted Bid nor a Competing Bid is required to be approved by the Board and such bids may be made directly to Shareholders. Acquisitions of Voting Shares made pursuant to a Permitted Bid or a Competing Bid do not give rise to a Flip-in Event.

#### Waiver and Redemption

The Board of Directors may, at any time prior to the occurrence of a Flip-in Event that would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a take-over bid made by means of a take-over bid circular to all holders of record of Voting Shares (or otherwise as outlined in the paragraph below), waive the application of the Rights Plan to such Flip-in Event.

The Board may also, prior to the occurrence of a Flip-In Event, waive the application of the Rights Plan to a particular Flip-In Event which would occur as a result of a take-over bid made under a circular prepared in accordance with applicable securities laws to all holders of Voting Shares. In such event, the Board shall be deemed to also have waived the application of the Rights Plan to any other Flip-In Event occurring as a result of any other takeover bid made under a circular prepared in accordance with applicable securities laws to all holders of Voting Shares prior to the expiry of any take-over bid for which the Rights Plan has been waived or deemed to have been waived.

The Board may also waive the application of the Rights Plan to an inadvertent Flip-in Event, on the condition that such person reduces its beneficial ownership of Voting Shares such that it is not an Acquiring Person within 30 days of the determination of the Board.

Until the occurrence of a Flip-in Event, the Board of Directors may elect to redeem all but not less than all of the then outstanding Rights at \$0.00001 per Right. In the event that a person acquires Voting Shares pursuant to a Permitted Bid, a Competing Bid or pursuant to a transaction for which the Board of Directors has waived the application of the Rights Plan, then the Board shall, immediately upon the consummation of such acquisition, without further formality, be deemed to have elected to redeem the Rights at the redemption price.

#### Supplement and Amendments

Prior to the confirmation of the Rights Plan by Shareholders, the Company may, without the approval of holders of Voting Shares or Rights, amend, supplement or restate the Rights Plan in order to make any changes which the Board of Directors acting in good faith may deem necessary or desirable.

Following Shareholder confirmation of the Rights Plan, the Company may, without the approval of the holders of Voting Shares or Rights, make amendments to (i) correct clerical or typographical errors, (ii) to maintain the validity and effectiveness of the Rights Plan as a result of any change in any applicable legislation or regulation or rules thereunder, and (iii) as otherwise specifically contemplated therein. Any amendment referred to in (iii) must, if made before the Separation Time, be submitted for approval to the holders of Voting Shares at the next meeting of Shareholders and, if made after the Separation Time, must be submitted to the holders of Rights for approval.

Approval

The Rights Plan must be approved by a majority of the votes cast by the holders of the Voting Shares present or represented by proxy at a meeting not later than July 17, 2006. If the Rights Plan is not approved, the Rights Plan and all outstanding Rights will terminate and be void and of no further force and effect.

**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 23rd day of January, 2006 at Windsor, Nova Scotia by Janice A. Stairs, Vice-President, General Counsel and Secretary.



## ETRUSCAN ADOPTS SHAREHOLDER RIGHTS PLAN

**Windsor, Nova Scotia January 13, 2006** - ETRUSCAN RESOURCES INC. (EET.TSX) announced today that its Board of Directors (the "Board") has adopted a shareholder rights plan ("Rights Plan"). The Rights Plan has been adopted to ensure the fair treatment of shareholders in connection with any take-over offer for the Company and is not intended to prevent take-over bids that treat shareholders fairly. The Rights Plan will also provide the Board with more time to fully consider any unsolicited take-over bid and to pursue, if appropriate, other alternatives to maximize shareholder value in the event of a takeover bid. The Rights Plan is not being adopted in response to any proposal to acquire control of the Company.

Under the Rights Plan, those bids that meet certain requirements intended to protect the interests of all shareholders are deemed to be "Permitted Bids". Permitted Bids must be made by way of a take-over circular prepared in compliance with applicable securities laws and, among other conditions, must remain open for sixty days. In the event a take-over bid does not meet the Permitted Bid requirements of the Rights Plan, the rights will entitle shareholders, other than any shareholder or shareholders making the take-over bid, to purchase additional common shares of the Company at a substantial discount to the market value at the time.

The Rights Plan is subject to approval by the Toronto Stock Exchange and will be presented for ratification by the shareholders at Etruscan's 2006 Annual Meeting. If approved by the shareholders, the Rights Plan will have an initial term of three years.

*Etruscan Resources Inc. is a diversified Canadian junior mining company focused on the development of gold properties in West Africa and diamond properties in South Africa. Etruscan has an aggressive exploration strategy and holds strategic land positions covering over 7,000 km<sup>2</sup> in ten gold belts throughout West Africa. The Company is developing a number of gemstone quality alluvial diamond operations in South Africa and looking to expand other opportunities in southern 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>.*

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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