

MATERIAL CHANGE REPORT

1. **Reporting Issuer:**

Cantex Mine Development Corp.
Unit 2, 1965 Powick Road
Kelowna, British Columbia V1X 4L1

2. **Date of Material Change:**

December 17, 1999

3. **Press Releases:**

A press release, a copy of which is attached hereto, was issued through the facilities of Canada NewsWire on December 21, 1999.

4. **Summary of Material Change:**

Cantex Mine Development Corp. ("Cantex") has made a fair market value offer, pursuant to Section 184 of the *Business Corporations Act*, to the two shareholders who exercised their dissent rights in connection with the amalgamation of Canadian Mountain Minerals Ltd. and a former subsidiary of Cantex, effective, April 9, 1998.

5. **Full Description of Material Change:**

On December 21, 1999 Cantex announced that it is continuing negotiations with two of its shareholders (the "Dissenters") who exercised their dissent rights in connection with the Amalgamation of Canadian Mountain Minerals Ltd. ("Canadian Mountain Minerals") and a former subsidiary of Cantex effective, April 9, 1998.

Cantex has been following the dissent procedures under the *Business Corporations Act* (Alberta) with the Dissenters to determine the "fair value" of their Canadian Mountain Minerals shares since the approval of the amalgamation at a special shareholders meeting on March 27, 1998. On February 2, 1999 a proceeding was commenced by the Dissenters in the Court of Queen's Bench of Alberta to determine the "fair value" of their Canadian Mountain Minerals shares. The matter has now proceeded to a process called "case management" in order to facilitate a court determined value. On Friday, December 17, 1999 Cantex made a formal offer to the Dissenters, offering them approximately \$1,000,000, or approximately \$500,000 each based upon the number of securities held by each on the date of the amalgamation. Cantex management views the offer as fair, from a financial point of view. On the same date the Dissenters filed a Statement of Claim in the Court of Queen's Bench of Alberta seeking approximately \$4,000,000, or approximately \$2,000,000 each. A Notice of Motion was also filed on the same date whereby the Dissenters are seeking to restrict Cantex's ability to further deal with its property without prior court approval pending payment to the Dissenters of the "fair value" for their Canadian Mountain Minerals stock. The Notice of Motion is to be heard on January 7, 2000. Cantex feels that the relief being sought by the Dissenters in connection with the Notice of Motion is excessive and unwarranted in the circumstances and is and will continue to take all legal steps to strongly oppose the Notice of Motion while continuing the case management process to arrive at a fair value.

6. **Reliance on Provision:**

Not applicable.

7. **Omitted Information:**

Not applicable.

8. **Senior Officer:**

Joseph M. Dutton, President
Cantex Mine Development Corp.
Unit 2, 1965 Powick Road
Kelowna, British Columbia

Phone: (250) 860-8582

9. **Statement of Senior Officer:**

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Kelowna, in the Province of British Columbia, as of the _____ day of December, 1999.

CANTEX MINE DEVELOPMENT CORP.

Per: (signed) "Joseph M. Dutton"
Joseph M. Dutton
President

PRESS RELEASE

CANTEX MINE DEVELOPMENT CORP. (CDNX: CD)

CANTEX MAKES OFFER TO DISSENTING SHAREHOLDERS

KELOWNA, BC, Dec. 21 /CNW/ - Cantex Mine Development Corp. ("Cantex") announces that it is continuing negotiations with two of its shareholders (the "Dissenters") who exercised their dissent rights in connection with the amalgamation of Canadian Mountain Minerals Ltd. ("Canadian Mountain Minerals") and a former subsidiary of Cantex effective April 9, 1998.

Cantex has been following the dissent procedures under the *Business Corporations Act* (Alberta) with the Dissenters to determine the "fair value" of their Canadian Mountain Minerals securities since the approval of the amalgamation at a special shareholders meeting on March 27, 1998. On February 2, 1999 a proceeding was commenced by the Dissenters in the Court of Queen's Bench of Alberta to determine the "fair value" of their Canadian Mountain Minerals stock. The matter has now proceeded to a process called "case management" in order to facilitate a court determined value. On Friday, December 17, 1999 Cantex made a formal offer to the Dissenters,

offering them approximately \$1,000,000, or approximately \$500,000 each based upon the number of securities held by each on the date of the amalgamation. Cantex management views the offer as fair, from a financial point of view. On the same date the Dissenters filed a Statement of Claim in the Court of Queen's Bench of Alberta seeking approximately \$4,000,000, or approximately \$2,000,000 each. A Notice of Motion was also filed on the same date whereby the Dissenters are seeking to restrict Cantex's ability to further deal with its property without prior court approval pending payment to the Dissenters of the "fair value" for their Canadian Mountain Minerals stock. The Notice of Motion is to be heard on January 7, 2000. Cantex feels that the relief being sought by the Dissenters in connection with the Notice of Motion is excessive and unwarranted in the circumstances and is and will continue to take all legal steps to strongly oppose the Notice of Motion while continuing the case management process to arrive at a fair value.

Cantex is a mining exploration and development company based in Kelowna, British Columbia.

For further information contact Katherine MacDonald, Director, Cantex Mine Development Corp., Telephone: (604) 922-6998, Facsimile: (604) 922-5297.

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