FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

State the full name of your company and the address of its principal office in Canada.

Kansai Mining Corporation (the "Company")
c/o Suite 200, Financial Plaza
204 Lambert Street
Whitehorse, Yukon Y1A 3T2

Item 2 Date of Material Change

State the date of the material change.

December 12, 2004

Item 3 News Release

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

December 12, 2004

The Press Release was released to the TSX Venture Exchange and through various other approved public media and filed on SEDAR with the securities commissions of British Columbia, Alberta and the Northwest Territories.

Item 4 Summary of Material Change(s)

The Company announced update of activities and exercise of warrants and options.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Kansai Mining Corporation (KAN on the Toronto Venture Exchange) is pleased to reveal considerable progress at the Natal Project in Venezuela despite adverse weather conditions from August through to early December 2004.

Rainfall during that period has been 150% higher than ever previously recorded. Heavy rain is still falling. The Company's wholly owned subsidiary, Compania Minera Adamantine C.A has been particularly hampered by bridge failures and severe washouts on the Caicara - Guainamo approach roads. Due to the rainfall the Company's road pushed from the State road through the jungle to the planned mining site at Belmudez in 2003, a distance of approximately 11 Km, has had to be rebuilt. This is now completed and virtually the whole of the processing plant, barring minor pipe work is on the selected site, 200 metres from the planned test- mine area. The major plant components (grizzly scrubber, screen and conveyors) are under assembly. The structure of the DMS module has been completed and the major components namely pumps, sumps and screens installed awaiting final pipe work and wiring. The last components (X ray unit, generator and control containers) are being moved to site currently and the camp should be installed prior to Christmas. Completion of construction and commencement of commissioning should take place between Christmas and the New Year. The Company is also laying 1,000 meters of water –line to alleviate possible water shortages later in 2005.

Sample processing should commence in early January 2005, and proceed at full capacity immediately thereafter. First revenues from the test mining should be received in February.

At the Migori Gold Project in Kenya, work programmes have been developed for 2005. The primary objective is to expand the known resources of 1,237,000 ounces of gold to more than 2,000,000 ounces by means of a second phase of 6,500 metres of diamond drilling on the 4 known mineralised areas of MK, Gori Maria Nyanza and Kakula-Kalange-Munyu, as well as programmes at Macalder, Konguru and possibly 3 Nuns mineralization. This may be followed by delineation drilling, if warranted, later in the year, hopefully culminating in a feasibility study in 2006.

At the eastern end of the licences, SPL202 is to be subject to further mapping and geochemistry following up the gold anomalies outlined in 2003 over 25Km of strike and extending the work a further 20 Km east over known gold shows.

This work will take place in the first quarter of 2005.

Kansai is delighted to announce the election of 3 Key personnel as Vice Presidents of the company.

> -Dr Stephen Grimmer has been responsible for the advancement of the Natal project prior to the onset of Kansai's acquisition, and for other initiatives in Venezuela and else where. He will continue to have a Key role in the technical and development planning of all projects as Company Operational Officer.
>
> -Mr Alan Richards will assume responsibility for Venezuelan matters as Country Manager
>
> Mr Richards has wide experience of engineering projects and diamond projects in
>
> S America, Africa, Asia and Europe for over 30 years. He joined Kansai in March 2004 and the Company is highly appreciative of his decision to continue on board.
>
> -Mr Basil Crawford assumed the role of Country Manager for Kenya in April and has been involved in the establishment of accounting, banking and insurance practices and policies for the company since he joined Kansai in January 2004. He has had many years of operational experience throughout Africa.

Kansai wishes to acknowledge gratefully the support of several institutional and major share holders of the company in exercising a large number of 25 cent warrants, and options varying in price from 25 to 33 cents, as the Company has battled its way through the difficult conditions in Venezuela in the second half of 2004.

Kansai also wishes to announce that an independent study of a project of merit is in its final stages undertaken by Ddraig Minerals on the Natal Project prior to submission as an application to move Kansai Mining Corporation from Tier 2 to Tier 1 status on the Toronto Venture Exchange.

Kansai Mining Corporation is a mining and exploration company with interests, in Kenya and Venezuela trading on the Toronto Venture Exchange under the symbol KAN.

5.2 Disclosure for Restructuring Transactions

Not applicable

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

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or the name of an officer through whom such executive officer may be contacted.

Thomas L. Crom III

(928) 474-9151

Item 9 Date of Report

March 6, 2007