

METCO RESOURCES INC.

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and address of the Company

Metco Resources inc.
1155, University Street, Suite 812
Montreal, Quebec
H2Y 2W6

2. Date of material change

April 29, 2004

3. News release

The press releases were issued on May 3rd, 2004 in Montreal, Quebec

4. Summary of material change

Closing of three non-brokered private placements for a total amount of \$450,000.

5. Full description of material change

Subscription by SIDEX, s.e.c. ("SIDEX") and the Fonds Régional de Solidarité Côte-Nord (the "Fonds Régional") for 937,500 units each of the Corporation at a price of \$0.16 per unit (a "Unit") for an aggregate subscription price of \$300,000 (\$150,000 each) pursuant to two subscription agreements (the "Subscription Agreement") dated April 29, 2004 between Metco Resources Inc. (the "Company") and SIDEX on the first part, and between the Company and the Fonds Régional on the second part. Each Unit is comprised of one (1) common share of the Corporation and one transferable common share purchase warrant, one common share purchase warrant entitling its holder to subscribe for one common share of the Corporation at a price of \$0.22 per share until April 29, 2006.

Also, on April 29, 2004, the Company issued a convertible debenture in the amount of \$150,000 (the "Debenture") carrying a 12 % annual interest rate payable in common shares of the Company every six months to the Fonds de Solidarité des Travailleurs du Québec F.T.Q. (the "Fonds"). The Fonds also received 789,474 transferable common share purchase warrants, each warrant entitling it to subscribe for one (1) common share at the price of \$0.22 per share until April 29, 2006. The Debenture expires on April 29, 2007, and may be converted at a price of \$0.19 per common share if converted in the first two years, and at a price of \$0.21 per common share if converted the third year.

All the securities issued are subject to a four (4) month hold period ending August 29, 2004.

6. Executive Officer

Mr. Florent J. Gauthier, President of Metco Resources Inc.
Telephone: (514) 875-6279

DATED at Montreal, this 10th day of May, 2004.

Metco Resources Inc.

(s) Florent J. Gauthier

Florent J. Gauthier, President