ALBERTA STAR DEVELOPMENT CORP.

MATERIAL CHANGE REPORT
Form 51-102F3

Item 1 Reporting Issuer

Alberta Star Development Corp.
Suite 200 - 675 West Hastings Street
Vancouver, BC V6B 1N2
Tel: (604) 681-3131
Fax: (604) 801-5499

Item 2 Date of Material Change

The material change occurred on October 18, 2006.

Item 3 News Release

Alberta Star Development Corp. ("Alberta Star" or the "Company") issued a press release on October 18, 2006, through CNN Matthews.

Item 4 Summary of Material Change

Alberta Star announced that it has completed its previously announced brokered private placement of 6,380,000 units of the Company at a subscription price of $1.90 per Unit for gross proceeds of $12,122,000.

Item 5 Full Description of Material Change

Alberta Star announced that it has completed its previously announced brokered private placement of 6,380,000 flow-through units ("Units") (including the exercise of an over allotment option) of the Company at a subscription price of $1.90 per Unit, for total gross proceeds of (Cdn) $12,122,000 (the "Offering"). Each Unit consisted of one (1) flow-through common share ("Common Share") of the Company and one-half of one (1/2) common share purchase warrant ("Warrant"). Each whole Warrant is exercisable into one additional common share at an exercise price of $2.15 per share on or before April 18, 2008.

Pacific International Securities Inc. acted as agent (the "Agent") for the Offering and was paid a cash commission equal to 7% of the gross proceeds raised. In addition, the Agent was issued 508,296 Agent's compensation options whereby each Agent's option is exercisable into one (1) common share at an exercise price of $2.20 per share on or before April 18, 2008.

The Company intends to use the flow-through proceeds from the Offering to fund its 2006/2007 exploration program, including exploration of the Company's Eldorado & Contact Lake IOCG and uranium properties and renounce, for the 2006 income tax year, qualifying exploration expenditures (as defined in the Income Tax Act (Canada)) to the Unit subscribers.

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**

For further information, please contact Mr. Tim Coupland, President and Chief Executive Officer of the Company at the above mentioned address or at (640) 681-3131.

Item 9 **Date of Report**

This report is dated the 18th day of October, 2006.