

MATERIAL CHANGE REPORT

**Section 85(1) of the *Securities Act* (British Columbia)
Section 146(1) of the *Securities Act* (Alberta)
Section 84(1) of *The Securities Act, 1988* (Saskatchewan)
Section 75(2) of the *Securities Act* (Ontario)
And Similar Provisions of Other Provincial Securities Legislation**

1. **Reporting Issuer**

The name and address of the reporting issuer is:

Mustang Resources Inc.
101 - 10th Street N.W.
Calgary, AB T2N 1V4

2. **Date of Material Change**

The material change occurred on October 2, 2003.

3. **Press Release**

A press release reporting the material change was issued on October 2, 2003 at Calgary, Alberta.

4. **Summary of Material Change**

Mustang Resources Inc. announced that it closed its previously announced bought deal financing consisting of 1.03 million "flow-through" Class A shares.

5. **Full Description of Material Change**

Mustang Resources Inc. ("Mustang" or "the Company") announced that it closed its previously announced bought deal financing consisting of 1.03 million "flow-through" Class A shares (including the exercise in full of an over-allotment option for 250,000 shares) at a price of \$3.20 per share for total gross proceeds of \$3,300,000. The underwriting syndicate for the private placement was led by Griffiths McBurney & Partners and included FirstEnergy Capital Corp., Tristone Capital Inc. and Orion Securities Inc. The shares will be subject to a four-month hold period.

Proceeds from this offering will be used to finance Mustang's on-going development and exploration activities. After completion of this equity financing, Mustang has 12,094,251 Class A and 738,540 Class B shares issued and outstanding.

6. **Reliance on Confidential Disclosure Provisions**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Senior Officer**

For further information: Richard Todd, President and Chief Executive Officer or Darcy Anderson, Chief Financial Officer at Phone: (403) 283-8990 or Fax: (403) 521-5284.

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED October 2, 2003 at Calgary, Alberta.

MUSTANG RESOURCES INC.

By: (signed) _____

Darcy Anderson

Chief Financial Officer