

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company

Golden Sunset Trail Inc.
91 Dorchester Drive
Grimsby, ON L8E 1B1

2. Date of Material Change

October 10, 2006

3. News Release

A press release was disseminated on October 10, 2006 via CCN Matthews.

4. Summary of Material Change

Golden Sunset Trail Inc. ("Golden Sunset") (GST.P: TSX-V) announced that it has received notice of failure to complete a qualifying transaction ("QT") within the 24 months of listing.

5. Full Description of Material Change

Golden Sunset has been unable to complete a QT within the 24 months of the common shares of Golden Sunset (the "Shares") becoming listed on the TSX Venture Exchange (the "Exchange") as required by Exchange Policy 2.4. As a result, the Exchange has provided notice to Golden Sunset that unless Golden Sunset completes a QT or transfers the listing of the Shares from the Exchange to the NEX board of the Exchange ("NEX Transfer") by January 2, 2007 the Exchange may proceed to delist the Shares ("Delisting").

Golden Sunset intends at this time to continue the process of identifying and evaluating businesses and assets with a view to completing a QT. However, Golden Sunset will take the required steps for undergoing a NEX Transfer, including obtaining shareholder approval, in a manner that ensures adequate time exists for completing such requirements before January 2, 2007 if it becomes apparent that a QT will not be completed in time.

If a Delisting occurs an aggregate of 5,693,333 Shares currently being held in escrow will be cancelled. If a NEX Transfer occurs it is anticipated that 2,846,667 Shares currently being held in escrow will be cancelled.

Trading of the Shares will remain halted until either completion of a QT or a NEX Transfer.

6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102

Not Applicable

7. Omitted Information

Not Applicable

8. **Executive Officer**

The name and business number of the executive officer of Golden Sunset Trail Inc. who is knowledgeable about the material change and this report is:

Daniel Donn, President, CEO, CFO and Director of Golden Sunset
Telephone: (905) 945-3999
E-mail: danieldonn@cogeco.ca

9. **Date of Report**

October 18, 2006