FORM 51-102F3
MATERIAL CHANGE REPORT
(pursuant to Part 11 of National Instrument 81-106, Investment Fund Continuous Disclosure)

1. Name and Address of Issuer:

49 North Resource Fund Inc. (formerly 49 North Resource Fund Limited Partnership) (the "Issuer")
602 – 224 4th Avenue South
Saskatoon, SK
S7K 5M5

2. Date of Material Change:

January 1, 2008.

3. Press Release:

A press release was distributed through Marketwire on January 2, 2008.

4. Summary of Material Changes:

The Issuer completed its conversion from a limited partnership to a corporate structure and concurrently consolidated its outstanding securities on the basis of one common share for every two limited partnership units.

The Issuer also updated its net asset value and net asset value per share after giving effect to the conversion transaction and to highlight significant growth in net asset values as a consequence of rapid increases in market values of its holdings in Athabasca Potash Inc.

5. Full Description of Material Change:

The Issuer's previously announced proposed conversion from its former limited partnership structure, under the name 49 North Resource Fund Limited Partnership (the "Partnership"), into a corporate structure, under the name 49 North Resource Fund Inc, and the concurrent consolidation of the Issuer's outstanding securities was completed effective January 1, 2008. All of the 2,798,314 limited partnership units of the Partnership that were then outstanding were exchanged for common shares of 49 North Resource Fund Inc on a one common share for every two units basis, resulting in a total of 1,399,157 common shares being issued to the (former) unitholders. At the same time, a $2,000,000 secured convertible debenture issued by the Partnership in June 2007 was converted into 200,000 preferred shares of 49 North Resource Fund Inc.

The common shares were listed on the TSX Venture Exchange (trading symbol FNR) at the opening of the market on Wednesday, January 2, 2008, in substitution for the previously listed units which have been cancelled as a result of the conversion transaction.

Complete details of the conversion transaction were previously disclosed in the Partnership's information circular dated October 31, 2007 and related public filings, including a material change report filed with securities regulators December 5, 2007, copies of which are available at www.sedar.com.

The Issuer also reported that the Net Asset Value of 49 North Resource Fund Inc as at December 31, 2007, but after giving effect to the conversion transaction, was estimated to be approximately $22,782,483 (unaudited) ($16.28 per common share), representing a $10,612,511 (approximately 87%) increase over the $12,169,972 NAV of the Partnership ($8.70 per unit on a consolidation adjusted basis) at September 30, 2007. The sharp increase in NAV is attributable to the Issuer's holdings of common shares of Athabasca Potash Inc (TSX – API). As of September 30, 2007, the Issuer held 1,978,855 common shares of API, which, as a private company, were carried by the Partnership at $0.90 per share for a total of $1,780,970. API completed a $43,000,000 initial public offering on December 13, 2007 at $4.25 per share, at which time the Issuer acquired an additional 176,470 API shares ($750,000) at the $4.25 IPO price, increasing the Issuer's holdings in API to a total of 2,155,325 shares. API's shares closed on the TSX at $7.80 per share on December 31, 2007. As a result, as of December 31, 2007, the Issuer's position in API was valued at $16,811,535, or $14,280,565 greater than the sum of the September 30 carrying value plus the $750,000 cost of additional API shares purchased in the IPO. The approximately $3,668,000 difference between the increase in value of the Issuer's position in API and the total increase in NAV is attributable to declines in the values of the balance of the portfolio and operating expenses – including fourth quarter management fees and a year end performance bonus.

The following is a summary of the Issuer's portfolio holdings as of December 31, 2007 and its resulting NAV and NAV per common share, after giving effect to the conversion transaction. The NAV calculations have not been audited and the estimate of net debt and other charges is based on certain estimates and assumptions of management which are subject to change.

Holdings*	**Symbol**	**Number of Shares**	**Fair Value**	**Percentage of Portfolio**
Mineral exploration				
Athabasca Potash Inc. (TSX)	API	2,155,325	$ 16,811,535	64.39%
Anglo Minerals Ltd.	ALM	167,900	906,660	3.47%
Red Rock Energy Inc.	RRK	1,968,560	802,188	3.07%
Great Western Minerals Group Inc.	GWG	1,609,000	627,510	2.40%
Copper Reef Mining Corporation	CZC	2,000,000	600,000	2.30%
Great Western Diamonds Corp.	GWD	2,052,000	502,740	1.93%
Claude Resources Inc. (TSX)	CRJ	334,900	465,511	1.78%
Golden Band Resources Inc.	GBN	916,000	412,200	1.58%
Wescan Goldfields Inc.	WGF	1,711,086	410,660	1.57%
Eagle Plains Resources Ltd.	EPL	541,500	314,070	1.20%
Raytec Metals Corp.	RAY	640,000	256,000	0.98%
ESO Uranium Corp.	ESO	600,000	234,000	0.90%
Halo Resources Ltd.	HLO	600,000	228,000	0.87%
J-Pacific Gold Inc.	JPN	451,000	211,970	0.81%
Tagish Lake Gold Corp.	TLG	1,423,846	199,338	0.76%
Stikine Gold Corp.	SKY	1,666,667	183,333	0.70%
Soltoro Ltd.	SOL	280,000	173,600	0.66%
Northern Freegold Resources Ltd.	NFR	202,000	157,560	0.60%
Goldsource Mines Inc.	GXS	760,000	144,400	0.55%
Valgold Resources Ltd.	VAL	440,334	129,898	0.50%
Other			711,859	2.73%

Oil & Gas				
Ruby Energy Inc. (private)		916,996	489,061	1.87%
Southern Pacific Resource Corp.	STP	248,150	394,558	1.51%
Nordic Oil & Gas Ltd	NOG	291,000	218,250	0.84%
Prairie Hunter Energy Corp. (private)		208,333	197,916	0.76%
Ivory Energy Inc.	IV	230,107	147,268	0.56%
Other			178,242	0.68%
			$ 26,108,331	**100. 00%**
Less estimated net debt and other charges			$ 3,325,848	
Estimated Net Asset Value of the Corporation			**$ 22,782,483**	
Common Shares Outstanding			1,399,157	
Estimated Net Asset Value per common share			**$ 16.28**	

* all investee companies are listed on the TSX Venture Exchange unless otherwise noted

6. Reliance on subsection 11.2 (2) or (3) of National Instrument 81-106

N/A

7. Omitted Information:

N/A

8. Executive Officers:

For further information contact:

Tom MacNeill
President & CEO, 49 North Resource Fund Inc.
Phone: (306) 664-4626

9. Date of Report:

This report is dated January 3, 2008