MATERIAL CHANGE REPORT

TO: British Columbia Securities Commission
Alberta Securities Commission
Quebec Securities Commission

Item 1. Name and Address of Company

Klondike Silver Corp.
711 – 675 West Hastings Street
Vancouver, British Columbia
V6B 1N2

Item 2. Date of Material Change:

July 7, 2006

Item 3. News Release

The press release was issued on July 7, 2006 in Vancouver, Canada.

Item 4. Summary of Material Change

The Company has granted 253,000 incentive stock options to directors and officers of the Company, and 680,000 to employees and consultants of the Company in accordance with Exchange policies, at a price of $0.51 per share, for a period of five years.

Item. 5 Full Description of Material Change

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

Not applicable. This report is not being filed on a confidential basis.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer
Richard Hughes
President
Telephone: (604) 685-2222

Item 9. Date of Report
Dated at Vancouver, British Columbia this 7th day of July, 2006.