

This is the form of a material change report required under section 85 (1) of the *Securities Act* and section 151 of the *Securities Rules*.

**BC FORM 53-901F  
(Previously Form 27)**

***Securities Act***

**MATERIAL CHANGE REPORT**

**Item 1: Reporting Issuer**

Cue Capital Corp., 3<sup>rd</sup> Floor, Bellevue Centre, 235-15<sup>th</sup> Street, West Vancouver, BC, V7T 2X1

**Item 2: Date of Material Change**

December 1, 2006

**Item 3: Press Release**

December 1, 2006

**Item 4: Summary of Material Change**

Cue Capital Corp. closes Brokered Private Placement in escrow.

**Item 5: Full Description of Material Change**

On November 23, 2006 Cue Capital Corp. (“Cue”) announced a brokered private placement of 7,700,000 Purchase Receipts at a price of \$0.50 per Purchase Receipt for gross proceeds of \$3,850,000.

Cue is pleased to announce that the sale of the Purchase Receipts has closed. As a result of the placement, \$3,850,000 has been deposited in escrow for release to Cue on the date the TSX Venture Exchange (“Exchange”) issues a final Exchange bulletin confirming that Cue’s proposed acquisition of a right to earn a 70% interest in the Yuty Property through shares of Transandes Paraguay S.A., a Paraguayan Corporation, has been accepted for filing by the Exchange as Cue’s qualifying transaction.

Each Purchase Receipt is convertible into one unit consisting of one common share and one half of one common share purchase warrant with each whole purchase warrant providing the holder with the right to purchase one additional common share in the capital of Cue at a price of \$0.75 for a period of one year following the issuance of the units. The Purchase Receipts will automatically convert into units of Cue on the date the Exchange issues a final Exchange bulletin confirming that Cue’s acquisition of an interest in the Yuty property has been accepted for filing by the Exchange.

If all of aforementioned conditions have not been fulfilled by December 31, 2006, the proceeds of sale of the Purchase Receipts will be returned to the subscribers unless an extension of time is granted by the Agents in their sole discretion.

If the conditions to the conversion of the Purchase Receipts are satisfied, Cue will issue 7,700,000 common shares and 3,850,000 share purchase warrants and \$3,850,000 will be released to Cue.

If the Purchase Receipts are not converted, the Agent's Warrants will be cancelled and no commission will be payable with respect to the placement.

As compensation for the placement of the Purchase Receipts, the Agents being Canaccord Capital Corp. ("Canaccord") and PowerOne Capital Markets Limited ("PowerOne") received a 6.5% commission of the gross proceeds which was paid and satisfied with the issuance of 500,500 Purchase Receipts having the same rights as the Purchase Receipts sold in the Private Placement. In addition the Agents received 616,000 non transferable Share Purchase Warrants providing the holder with the option to purchase a common share of Cue at a price of \$0.50 per share for a period of two years from the date of issuance of the Agents' Warrants.

The Agent has also received an administration fee of \$5,000 and a corporate finance fee of 120,000 corporate finance units. Each Corporate Finance Unit is comprised of one common share of the Company and one-half Share Purchase Warrant where each whole Share Purchase Warrant entitles the holder to purchase an additional common share of Cue at a price of \$0.50 for period of two years from the issuance of the Corporate Finance Units.

All Purchase Receipts and the securities issued under the placement to private places or the Agents will be issued subject to hold period expiring on March 28, 2007.

*"Completion of the qualifying transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed at all.*

*Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.*

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release."*

*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this News Release. WARNING: The Company relies on litigation protection for "forward looking" statements. Actual results could differ materially from those described in the news release as a result of numerous factors, some of which are outside the control of the Company. This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

## **Item 6: Reliance on section 85 (2) of the Act**

N/A

**Item 7: Omitted Information**

N/A

**Item 8: Senior Officers**

Rahoul Sharan- President/CEO

Bev Funston- Secretary

**Item 9: Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Vancouver, British Columbia this 1<sup>st</sup> day of December, 2006.

“Rahoul Sharan”

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Rahoul Sharan, President