Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Highland Resources Inc.
Suite 750 – 580 Hornby Street
Vancouver, B.C. V6C 3B6

Item 2 Date of Material Change

August 17, 2009

Item 3 News Release

Issued in Vancouver, British Columbia on August 17, 2009 and distributed through Marketwire.

Item 4 Summary of Material Change

The Company announced positive assay results from the initial field work on the Rickaby Property (the "Property") that was completed by GeoVector Management Inc. of Ottawa, Ontario. The Property, comprised of 88 mineral claims over approximately 18,624 acres in the Beardmore-Geraldton Belt of the Thunder Bay Mining District, Ontario, is situated adjacent to Kodiak Exploration's Hercules gold project, where recent drill results included 15.59g/t over 16.60m (Kodiak, September 19, 2006), and channel sampling up to 32.96g/t over 11.60m (Kodiak, October 1st, 2007) has been reported.

Part of the previously reported work program included channel sampling on the eastern portion of the Company's claim block adjacent to Mantis Mineral Corporation's historic Orphan mine claims. The Orphan Main vein was mined briefly in the 1930's and produced 3,525-tons of ore grading 0.689 ounces per ton gold. The Company's claims cover the eastern strike extension of this vein system and this area was extensively stripped in 2008 and exposed two new quartz veins. Channel sampling occurred over 60m of vein strike length, and assays of the veins had values of >100 ppm Au over the entire strike length. Best intersections included **17.10 g/t Au over 1.20m** and 1.12 g/t Au over 1.80m. In addition altered granite and mafic dykes adjacent to the veins contained grades up to 808 ppm Au over 0.80 meters.

In addition to the channel sampling the Company collected prospecting grab samples on the western portions of the claim block. In the Zeus area, located adjacent to the Hercules property, recent trenching and drilling carried out by Kodiak extended up to the Company's claim boundary. Work by GeoVector included two grab samples taken on the Company's claims, approximately 60m north of the Kodiak property line. This area is suspected of being along the Hercules trend and these samples returned **3.76 g/t Au and 1.36 g/t Au** in a quartz vein and an adjacent sericitic porphyry respectively.

Both the channeling and prospecting results are considered very encouraging. The Company intends to carry out more channeling in the Orphan Mine area on other un-sampled veins exposed by trenching in 2008. These trenched areas will also be exposed over more of the strike length of the quartz veining. On the Zeus target the Company will carry out more comprehensive prospecting and expose the mineralized area by trenching to ascertain the strike and width of this zone.

In addition to these two areas, channel sampling completed in 2008 on the KRK Zone in the central part of the property returned values of 1.07 g/t Au over 1.50m and 1.07%Pb and 1.59% Zn over 1.50m in massive sulphides in a felsic fragmental volcanic. This area also has extensive disseminated Cu mineralization reported from historical work (drill hole R98-22 returned 0.74% Cu over 71 meters). All these positive results are indicative of the potential for the Rickaby property, and it is anticipated that follow-up work will commence in the fall once a comprehensive study of the geology, structures and historical mineralization on the property is completed to guide future exploration programs.

Activation Laboratories Ltd. (Actlabs) carried out the sample analysis in their Thunder Bay, Ontario facility. Samples were subjected to Actlabs' RX1 sample preparation which consists of crushing the entire sample to a nominal 10 mesh (1.7 mm) size, and pulverizing a 100 g sub-sample to 150 mesh (105 mm). A 30 g sub-sample of the pulverized sample was subjected to Actlabs' 1A2 analysis (Fire Assay with AA finish) and any analysis over 3000 ppb was re-assayed using Actlabs' 1A3 analysis (Fire Assay with gravimetric finish). Each sample was also analyzed using Actlabs' 1E3 analysis, which is an ICP/OES process for 37 elements.

The work program at the Rickaby property was designed and conducted by Joseph Campbell, P. Geo., who is a qualified person under the definition of National Instrument 43-101. He is responsible for all aspects of the work including the quality control/quality assurance program. All samples collected were delivered directly to Activation Laboratories Ltd. Actlab's quality control system complies with ISO/IEC 17025 and CAN-P-1579.

Item 5 Full Description of Material Change

See attached news release.

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

This report is not being filed on a confidential basis.

Item 7 Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

Item 8 Executive Officer

Contact: Robert Eadie, President & Chief Executive Officer
Telephone: (604) 602-4935

Item 9 Date of Report

August 17, 2009

HIGHLAND RESOURCES INC.

August 17, 2009
Trading Symbol: HI

NEWS RELEASE

Assay Results from June Field Work on Highland's Rickaby Property include 17.1 g/t Gold over 1.20m in Channel Sampling

Vancouver, B.C. **...** Further to its news release of June 23, 2009, **Highland Resources Inc.** (the "Company") is pleased to report positive assay results from the initial field work on the Rickaby Property (the "Property") that was completed by GeoVector Management Inc. of Ottawa, Ontario. The Property, comprised of 88 mineral claims over approximately 18,624 acres in the Beardmore-Geraldton Belt of the Thunder Bay Mining District, Ontario, is situated adjacent to Kodiak Exploration's Hercules gold project, where recent drill results included 15.59g/t over 16.60m (Kodiak, September 19, 2006), and channel sampling up to 32.96g/t over 11.60m (Kodiak, October 1st, 2007) has been reported.

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Both the channeling and prospecting results are considered very encouraging. The Company intends to carry out more channeling in the Orphan Mine area on other un-sampled veins exposed by trenching in

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The technical information contained in this news release has been verified by Joseph Campbell, P. Geo., President of GeoVector, who is a Qualified Person as defined in "*National Instrument 43-101, Standards of Disclosure for Mineral Properties.*"

ON BEHALF OF THE BOARD
Signed "Robert Eadie"
Robert Eadie, Chief Executive Officer and Director

FOR FURTHER INFORMATION PLEASE CONTACT:
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