FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 **Name and Address of Company**

Western Keltic Mines Inc. ("Western Keltic" or the "Company")
600 – 888 Dunsmuir Street
Vancouver, BC V6C 3K4

Item 2 **Date of Material Change**

November 24, 2007

Item 3 **News Release**

The news release dated November 26, 2007 was issued in Vancouver, British Columbia and disseminated through Marketwire.

Item 4 **Summary of Material Change**

The Company entered into an agreement (the "Letter Agreement") with Sherwood Copper Corporation ("Sherwood") wherein Sherwood has agreed to make an offer (the "Offer") to acquire all of the shares of Western Keltic for consideration of 0.08 of a common share of Sherwood for each common share of Western Keltic.

Item 5 **Full Description of Material Change**

Based on the November 23, 2007 closing price for the Sherwood common shares, the consideration under the Offer equates to an approximate price of $0.47 per Western Keltic common share, which represents a 53% premium over Western Keltic's closing price of $0.305 per common share on November 23, 2007. Based on the 79,830,855 Western Keltic common shares currently issued and outstanding, the aggregate value of the Offer is approximately $37 million. Western Keltic's Board of Directors has unanimously approved the terms of the Letter Agreement and recommends that Western Keltic shareholders accept the Offer. The members of Western Keltic's Board of Directors, as well as Western Keltic's largest registered shareholder, representing an aggregate of approximately 26.8 million Western Keltic common shares issued or issuable upon the exercise of options and warrants, have, respectively, agreed to enter into or have already entered into lock-up agreements in respect of the Offer.

As a result of Sherwood's proposal, Western Keltic has determined that it will not further pursue its previously announced prospectus offering at this time.

Details of the Sherwood Proposal

The Letter Agreement between Sherwood and Western Keltic contemplates that the transaction would be structured as a take-over bid, subject to standard conditions and the condition that no less than 66 2/3% of the issued and outstanding common shares of Western Keltic be tendered to the Offer. The parties may consider structuring the transaction in an alternative form as mutually determined by Sherwood and Western Keltic.

Under the Letter Agreement, Western Keltic has agreed not to solicit other proposals or seek alternative offers, subject to the exercise by the Western Keltic Board of Directors of its fiduciary duties and its right, subject to certain conditions, to respond to an unsolicited proposal from another party where it has a fiduciary duty to do so. Western Keltic is also obliged to provide Sherwood with the particulars of any such proposal and Sherwood has a right to match any such third party proposal. A break fee of $1.4 million is payable to Sherwood in the event of an unsolicited superior third party proposal which is accepted by Western Keltic.

The Offer is conditional upon, among other things: (1) the share capitalization of Western Keltic not increasing from the current level other than through the issue of Western Keltic shares as a result of the exercise of existing options and warrants; (2) negotiation and finalization of definitive support and/or other agreements, to include standard provisions, including: the obligation of the Western Keltic Board to recommend that Western Keltic shareholders tender their Western Keltic shares in favour of the Offer, and certain other provisions reflecting the terms of the Letter Agreement, including in respect of non-solicitation, the break fee and right to match; (3) entering into lock-up agreements with each member of the Western Keltic Board of Directors; (4) final approval of the take over bid circular by the Sherwood Board of Directors; (5) the approvals, acceptances and consents of all applicable regulatory authorities, stock exchanges and banks as necessary to complete the transaction; (6) no material adverse changes in respect of either party, excluding general market conditions; and (7) certain limits on Western Keltic's financial commitments and obligations prior to closing.

Under the Letter Agreement, Sherwood and Western Keltic have agreed to use their commercially reasonable best efforts to finalize and execute the definitive support agreement in respect of the Offer by December 7, 2007. If the definitive support agreement is not executed on or before December 7, the Letter Agreement may be terminated by either party.

The Board of Directors of Western Keltic established a Special Committee, which has considered the Offer. The Special Committee engaged Paradigm Capital Inc. and Haywood Securities Inc. to act as its financial advisors and Stikeman Elliott LLP as its legal advisor. The Special Committee has received assurances from its advisors that they will be able to provide a fairness opinion in respect of the Offer, which they took into account in their recommendation of the Offer to the Board of Western Keltic.

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

Confidentiality is not requested.

Item 7 **Omitted Information**

No information has been omitted in respect of the material change.

Item 8 **Executive Officer**

John McConnell
President
Telephone: (604) 682-8414
Fax: (604) 682-3727

Item 9 **Date of Report**

December 3, 2007

WESTERN KELTIC MINES INC.

Per:

"*DM Douglas*"

David M Douglas
Chief Financial Officer