

**Form 51-102F3
Material Change Report**

1. Name and Address of Company

Consolidated Petroquin Resources Limited (the "Company")
T23-01, 3980 Carrigan Court
Burnaby, BC,
V3N 4S6

2. Date of Material Change

March 7, 2005

3. News Release

A news release was issued on March 7, 2005 and disseminated through Canada Stockwatch and Market News.

4. Summary of Material Change

The Company has arranged financing and debt settlement.

5. Full Description of Material Change

See attached news release.

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

Not applicable

7. Omitted Information

Not applicable

8. Executive Officer

A.G. Gordon-Tydd, President, is knowledgeable about the material change set forth herein and can be reached at (604) 420-5822

9. Date of Report

March 7, 2005

Consolidated Petroquin Resources Limited

"A.G. Gordon-Tydd "
A.G. Gordon-Tydd, Director

Consolidated Petroquin Resources Limited

T23-01, 3980 Carrigan Court, Burnaby, BC, V3N 4S6

Tel: 604 420-5822 Fax: 604 444-9288

TSX-V: PQN

March 7, 2005

News Release

Private Placements

Consolidated Petroquin Resources Limited (the "Company") wishes to announce that it has entered into a private placement for the sale of 9 million units at a price of \$0.05 per unit for a total of \$450,000. Each unit will consist of 1 common share and 1 share purchase warrant for the purchase of 1 further common share of the Company within two years at a price of \$0.10 per share. The funds shall be used for unallocated working capital and property acquisition. The maximum allowable finder's fee shall be payable.

The Company announces further that an aggregate of \$1.5 million indebtedness shall be settled by way of the issuance of 30 million shares at a deemed price of \$0.05 per share.

These transactions are subject to regulatory approval.

On Behalf of the Board of Directors

"A.G. Gordon-Tydd"

Arthur G. Gordon-Tydd

President

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