

This is the form of material change report required under section 67(1) of the Securities Act.

**FORM 27**

**Securities Act**

**MATERIAL CHANGE REPORT UNDER SECTION 67(1) OF THE  
ACT**

**Item 1.                    Reporting Issuer**

Trans-Orient Petroleum Ltd.  
1200 - 1090 West Pender Street  
Vancouver, B.C. V6E 2N7

**Item 2.                    Date of Material Change**

One or about January 31, 2000

**Item 3.                    Press Release**

January 31, 2000, Vancouver, B.C.

**Item 4.                    Summary of Material Change**

Indo-Pacific Energy Ltd. (OTCBB: INDX) and Trans-Orient Petroleum Ltd. (OTCBB: TEPUF) announced today that the two companies have decided to restructure their jointly held oil and gas assets.

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

SAN FRANCISCO, January 31, 2000--/PRNewswire/--  
Indo-Pacific Energy Ltd. (OTCBB: INDX) and Trans-Orient Petroleum Ltd. (OTCBB: TEPUF) announced today that the two companies have decided to restructure their jointly held oil and gas assets. Trans-Orient has agreed to transfer these assets and its other oil and gas assets to Indo-Pacific in return for well-head royalties, Indo-Pacific shares and warrants plus other consideration.

Under the terms of a letter dated January 30, 2000, Trans-Orient will sell its oil and gas interests in licenses and permits held in New Zealand, Australia and Papua New Guinea at a 20% premium to their book value at December 31, 1999 of \$3.4 million, less \$1 million owed by Trans-Orient on these assets.

Trans-Orient will receive consideration as follows:

- 4 million common shares of Indo-Pacific which represents approximately 10% of the current issued and outstanding;
- 4 million Series A warrants exercisable into 2.8 million additional shares of Indo-Pacific at \$.50 and \$.75 over two years;
- 4 million Series B warrants which are exercisable at \$1.50 and are exercisable in the event the Series A warrants are exercised;
- Anti-dilution protection and pre-emptive rights to participate in any future Indo-Pacific equity financing for a two year period;
- Well-head royalties ranging from 1% to 5%.

Indo-Pacific has also agreed to sell Trans-Orient a portfolio of securities comprising of shares in related companies and Trans-Orient itself, having an agreed aggregate value of approximately \$950,000.

"This agreement is mutually beneficial to both companies. It allows Indo-Pacific greater control and leverage over exploitation of the projects yet also ensures that Trans-Orient shares the economic upside in the event of discovery. It also allows both companies to focus on their respective assets, simplifies management efforts and streamlines the organization" said David Bennett, present CEO of both companies, about the planned transactions.

Closing of the transaction is currently expected to occur on or about February 29, 2000 and is subject to receipt of an acceptable independent fairness opinion and certain professional opinions.

As a consequence of the restructuring, Dr. Bennett will resign as CEO of Trans-Orient but will continue as a non-executive director. Mr. Alex Guidi will resign as Chairman of Indo-Pacific but will remain a principal shareholder, director and be appointed CEO of Trans-Orient in which he is also a principal shareholder. In addition, Mr. Michael Hart will join as a director of Trans-Orient. Mr. Hart is a Canadian-based businessman involved in the music industry.

N/A

**Item 7.**                    **Omitted Information**

None

**Item 8.**                    **Senior Officers**

Mr. Mark Katsumata, Corporate Secretary  
(604) 682-6496

**Item 9.**                    **Statement of Senior Officer**

The foregoing accurately disclose the material change referred to herein.

“Mark Katsumata”

February 3, 2000

\_\_\_\_\_  
Mr. Mark Katsumata, Corporate Secretary

Place of Declaration: Vancouver, B.C.