FORM 27

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

ITEM 1 REPORTING ISSUER

PAN ASIA MINING CORP.
2656 Finch Hill
West Vancouver, BC
V7S 3H1
Telephone: (604) 608-6686
(the "Company")

ITEM 2 DATE OF MATERIAL CHANGE

May 8, 2001

ITEM 3 PRESS RELEASE

May 8, 2001 - Vancouver, British Columbia

ITEM 4 SUMMARY OF MATERIAL CHANGE

701, 702 and 703 Diamond Mine Projects

The British Columbia Securities Commission and the Canadian Venture Exchange has requested that the Company issue a press release to clarify any statements shareholders may have obtained from our website, AIF, press releases and financial filings with respect to the 701, 702 and 703 Diamond Mine and Exploration Projects (the “Projects”). The Company wishes to advise that it is not the “operator” of the Projects and to date the Company has not earned any interest yet. However, a payment schedule with respect to the remaining capital contribution has been agreed upon by both parties in order for the Company to achieve its objective in earning its 50% interest in the 701 Project, such schedule is as follows:

- US $300,000 due by March 31, 2001 (presently held in escrow);
- US $200,000 due by April 15, 2001;
- US $350,000 due by June 30, 2001, on a best efforts basis; and
- any remaining balance due by September 30, 2001.

As reported in the Company's press release dated April 12, 2001, Mr. James Poe, the President of the Company, has agreed to loan the Company an aggregate of 5,000,000 common shares, at market price, for one year, plus interest at the rate of prime +5. The shares are currently held in trust and will be sold privately to further fund the 701 Mine development. In consideration for this loan, the Company has agreed to issue a bonus of 20%, payable in cash or common shares, subject to regulatory acceptance. To date no shares have been sold.

The Company's April 12, 2001 press release advised that the US $200,000 payment was due by April 15, 2001, however, at the joint venture board meeting held on March 13, 2001, it was agreed that Dr. Huang, Chief Administrative Officer of the joint venture company board, be responsible for administration/management in China and monitoring the use of the funds to the 701 Mine. Dr. Huang is in the process of making employment/management contracts changes in China with the employees of the joint venture project in order for them to conform to the World Trade Organization policies and such agreements are anticipated to be completed over the next few months. The joint venture board has agreed that funds will not be transferred to China until such time as all changes have been completed. The joint venture board consists of four members representing the Company being James Poe, Chairman, Dr. Dongdong Huang, Hu Shijie and Shelley Morgan and three members representing China Non-Metal Mine Enterprise Group 701 Mine, being Cang Fenghua, Zhang Yuling and Liu Luqing.

The British Columbia Securities Commission has placed the Company on its List of Defaulting Issuers as the regulatory authorities are requesting clarification, among other things, that the Company is not the "Operator" to the Projects and therefore the Notes to the Annual Financial Statements for the year ended 1999 and the 2000 quarterly financial statements should be amended which in turn will amend our annual information form which was filed June 30, 2000 and the website. Currently the Company and the British Columbia Securities Commission are discussing the valuation for the Company's acquisition cost of the Projects. The Company's management has decided it is in the best interest of the Company to retain a third party who will clarify and provide an independent opinion and the outcome may or may not have a significant impact on the Company's financial statements.

With respect to the 702 Project, the Company's management decided not to pursue the Project which was under the control of the Local County Government for lack of funding and for accounting purposes the carrying value was written down to $1. However, the Company is currently in the process of re-negotiating with the Provincial Ministry of Land and Resources with respect to the 702 Project and negotiations are expected to continue until financing has been obtained. The 701, 702 and 703 Projects will be consolidated into one entity once the 702 Project negotiations are completed. As announced in the previous press release, the 701 joint venture board has agreed to the consolidation of the 701, 702 and 703 Projects and subject to government approval, consolidation will proceed. With respect to the 703 Project, the Company clarifies that the 703 Joint Venture has renewed four of the 703 Diamond Exploration Licenses and the Company still must advance US $1,300,000 to earn its interest in the 703 Project, and the Company is actively pursuing sources of financing for this project.

In addition, we wish to clarify that the appraised value of the 387.66 carats being $127,050 Cdn., as reported in the Company's press release dated April 12, 2001, was independently received from J.L. Johnson, an Accredited Gemologist from the Gemological Institute of America. The Company advises that all rough stones reported in the Company's press release dated April 12, 2001 were purchased from the joint venture mine at a discount to market price standards by the Company for promotional purposes.

Huixian Copper/Gold Mine Property

With respect to the Huixian Copper/Gold Property, the Company's management decided to place the project on hold in order for the Company to focus its resources in earning its interest in the 701 Projects. The Company advises that for accounting purposes the carrying value was written down to $1, however, the Company intends to revisit this project in the near future.

Appointment of New Officer

The Company announces that Albert Wu, B.Comm., M.B.A., C.M.A., has been appointed Corporate Treasurer for the Company and will be responsible for all accounting/financial matters.

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

701, 702 and 703 Diamond Mine Projects

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ITEM 6 RELIANCE ON SECTION 85(2) OF THE ACT

N/A

ITEM 7 OMITTED INFORMATION

N/A

ITEM 8 SENIOR OFFICERS

James Poe, President and Director
Telephone: (604) 608-6686

ITEM 9 STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia, this 8th day of May, 2001.

PAN ASIA MINING CORP.
Per:

____
JAMES POE,
President and Director