FORM 27

MATERIAL CHANGE REPORT UNDER SECTION 146(1) OF THE SECURITIES ACT

This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with. Every report that is filed under section 146(1) of the Securities Act shall be sent to the Executive Director in an envelope marked "Continuous Disclosure".

Where this report is filed on a confidential basis, write at the beginning of the report in block capitals "CONFIDENTIAL - SECTION 146".

ITEM 1 Reporting Issuer:

Telkwa Gold Corporation
1, 1715 – 27th Avenue N.E.
Calgary, Alberta T2E 7E1

ITEM 2 Date of Material Change:

March 11, 2004

ITEM 3 News Release:

March 11, 2004 – CNN Mathews

ITEM 4 Summary of Material Change:

Telkwa Gold Corporation ("Telkwa" or "the Company") is pleased to announce it has signed a letter of intent to enter into a formal agreement with Goodsprings Development Company ("Goodsprings") to acquire a 100% interest in 30 unpatented lode-mining claims at Warm Springs, Nye County, Nevada. The agreement calls for Telkwa to pay cash payments totaling US$55,000, 100,000 of the company's common shares and a buyout fee of US$400,000 due on commencement of any mining activities. Goodsprings will retain a 3% NSR, of which Telkwa can purchase 2% for $2 million.

The company also announces that it will undertake a non-brokered private placement for a minimum of 1,000,000 units and up to a maximum of 2,000,000 units at a price of $0.14 per unit, for gross proceeds of up to $280,000. The proceeds of the private placement will be used for general working capital, property acquisition and exploration. The placement is subject to acceptance by the TSX Venture Exchange.

ITEM 5 Full Description of Material Change:

Telkwa Gold Corporation is pleased to announce it has signed a letter of intent to enter into a formal agreement with Goodsprings Development Company to acquire a 100% interest in 30 unpatented lode-mining claims at Warm Springs, Nye County, Nevada. The agreement calls for Telkwa to pay cash payments totaling US$55,000, 100,000 of the company's common shares and a buyout fee of US$400,000 due on commencement of any mining activities. Goodsprings will retain a 3% NSR, of which Telkwa can purchase 2% for $2 million.

The Warm Springs property is located in Nye County, Nevada, 220 miles SE of Reno and approximately 45 miles east of Tonopah at the southern edge of the Hot Creek range near the crossroads at Warm Springs. It is accessible year round from U.S. highway 6., which goes through the corner of the claim block. Active drilling projects in the district include the Midway Project, a joint-venture of Midway Gold Inc and Newmont Mining which is about 40 miles NW of the claims, the Golden Arrow Project of Pacific Ridge Exploration situated 15 miles SW of the claims and the Clifford Mine Project of Castleworth Ventures Inc. which is 4 miles SW of the claims.

The Warm Springs Property is located within the southern extension of Walker Lane trend on a regional fault zone, the Warm Springs Fault Zone (WSFZ). The zone dips steeply to the south, and well-developed slickensides indicate both horizontal and vertical displacement and may represent the edge of the Kawich Caldera. The Warm Springs Fault Zone (WSFZ) has been the channelway for several episodes of hydrothermal alteration and mineralization. The zone is typically silicified and jasperoids are well developed along the WSFZ for a distance of more than a mile. Jasperoids have also developed along secondary N and NE trending faults, and have a strike length of more than 4,000 feet. There are numerous outcrops of silica-cemented, jasperoid breccia along the trace of the fault. In addition to the jasperoid breccias, there are several silica-cemented breccia zones, which may be breccia pipes. The outer limits of the alteration envelope have not been mapped, and windows in pediment gravels expose intensely altered sediments along the projections of primary and secondary structures.

The geochemical signature of the WSFZ is typical of the upper parts of deeper vein gold deposits: anomalous pathfinder elements and scattered gold values. Previous work indicated Arsenic values up to 2000 ppm and Antimony values to 50 ppm, and gold values up to 0.03 oz/ton (1 g/t) have been obtained from outcrops along the zone. Gold values were found along altered, rhyodacite dikes and at the intersection of secondary faults with the WSFZ. Previous owners carried out a very small shallow reverse circulation drilling program of 8 holes down to only a maximum 200 ft. depth.

Exploration models on the property that Telkwa intends to target include high grade veins, Midway-style deposits and bulk-tonnage sediment hosted deposits.

The company also announces that it will undertake a non-brokered private placement for a minimum of 1,000,000 units and up to a maximum of 2,000,000 units at a price of $0.14 per unit, for gross proceeds of up to $280,000. Each unit will consist of one common share and one-half of a common share purchase warrant, with each whole warrant exercisable for a one-year period at a price of $0.22 per share. Insiders of the company intend to take part in the private placement. A finder's fee of 8% may be paid on the non-insider portion of the placement.

The proceeds of the private placement will be used for general working capital, property acquisition and exploration. The placement is subject to acceptance by the TSX Venture Exchange.

The company is pleased to make its first foray into the historic mining areas of Nevada and believe that this new property fits well with its other two exploration properties located in the British Columbia Cordillera. The company's other properties and corporate information is contained in its Annual Information Form which can be viewed at www.sedar.ca.

ITEM 6 Reliance on Section 146(2) of the Securities Act:

If the report is being filed in reliance on section 146(2) of the *Securities Act,* state the reasons for the non-disclosure.

N/A

ITEM 7 Omitted Information:

N/A

ITEM 8 Senior Officers:

Give the name and business telephone number of a senior officer of the reporting issuer who is knowledgeable about the material change and the report or an officer through whom the senior officer may be contacted by the Executive Director.

Michael Marchand, President
Telkwa Gold Corporation
1, 1715 – 27th Avenue NE
Calgary, Alberta T2E 7E1

Telephone: (403) 282-5105
Fax: (403) 250-8786

ITEM 9 Statement of Senior Officer:

The foregoing accurately discloses the material change referred to in this report.

DATED at the City of Calgary, in the Province of Alberta, this 12th day of March, 2004.

Signed *"Michael Marchand"*
Michael Marchand
President, Director

R:\51000 - 51999\51284\Material Change Report Mar 04.doc