BC FORM 53-901F

SECURITIES ACT (British Columbia)
(the "Act")

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

ITEM 1 REPORTING ISSUER

Norwood Resources Ltd.
404 – 815 Hornby Street
Vancouver, British Columbia
V6Z 2E6

ITEM 2 DATE OF MATERIAL CHANGE

December 18, 2001

ITEM 3 PRESS RELEASE

The Issuer issued a press release under the date of December 21, 2001.

ITEM 4 & ITEM 5 SUMMARY/FULL DESCRIPTION OF MATERIAL CHANGE:

The Issuer has closed the brokered private placement offering (the "Private Placement") announced October 18, 2001. The Private Placement was accepted for filing by the Canadian Venture Exchange on December 14, 2001.

The closing, effective December 18, 2001, involved the sale of an aggregate of 3,440,000 Special Warrants at a purchase price of $0.25 per Special Warrant. Each Special Warrant entitles the holder to receive, upon the exercise or deemed exercise thereof, one common share of the Issuer (the "Shares") and one non-transferable common share purchase warrant (the "Warrants") for no additional consideration. Each Warrant entitles the holder to purchase one additional common share of the Issuer (the "Warrant Shares") at a price of $0.30 per Warrant Share until June 17, 2003. In the event that the Issuer fails to obtain receipts for a final prospectus qualifying the issuance of the Shares and Warrants by April 16, 2002, the Special Warrants will be exchangeable into 1.1 Shares and 1.1 Warrants.

Haywood Securities Inc. (the "Agent"), who assisted the Issuer in the marketing the Private Placement received an aggregate cash commission equal to 10% of the gross proceeds of the Private Placement and a corporate finance fee of $15,000. In addition, the Agent received compensation warrants (the "Agent's Warrants"), exercisable on exercise or deemed exercise into Warrants to purchase a total of 616,000 Shares of the Issuer until June 17, 2003.

In addition, the Company advises that it has closed a non-brokered private placement of convertible securities announced October 29, 2001 (the "Non-Brokered Private Placement"). The Non-Brokered Private Placement was accepted for filing by the Canadian Venture Exchange on December 14, 2001.

The closing of the Non-Brokered Private Placement, effective December 18, 2001, involved the sale of five year secured convertible notes in the amount of $300,000 bearing interest at a rate of 9% per annum (the "Note"). The lenders also received a bonus of 171,428 shares as well as a two year detachable share purchase warrants to purchase 857,142 shares of the Company at $0.35 per share in the first year and $0.41 per share in the second year. The holders have the right to convert the Note into shares for two years on the basis of one share for each $0.35 of principal amount outstanding. The conversion price increases $0.035 per share in the next three years.

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

N/A

ITEM 7 OMITTED INFORMATION

N/A

ITEM 8 SENIOR OFFICERS

Raymond Cahill – President
Bonnie Whelan – Secretary

ITEM 9 STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, British Columbia this 21st day of December, 2001.

"Ray Cahill"

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Raymond Cahill – President