

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

1. Name and Address of Company

Welwyn Resources Ltd.
650, 101 – 6th Avenue SW
Calgary, AB T2P 3P4

2. Date of Material Change

March 23, 2005

3. News Release

March 23, 2005 via CCN Matthews

4. Summary of Material Change

Welwyn Resources Ltd. is pleased to announce that it has increased its previously contemplated financing to total up to \$4,500,000. Also, on February 24, 2005, Pan Orient completed the second and final tranche of its private placement totaling 10,666,666 Pan Orient Common Shares at a price of \$0.75 per Pan Orient Share, for gross proceeds of \$8,000,000.

5. Full Description of Material Change

Further to the news release of January 28, 2005, Welwyn Resources Ltd. ("Welwyn") is pleased to announce that it has increased its previously contemplated financing to total up to \$4,500,000. Welwyn has entered into engagement letters with Wolverton Securities Ltd. (the "Agent"), acting as lead agent, for (1) the issuance of up to 2,666,667 Welwyn common shares at a price of \$0.75 per Welwyn common share for gross proceeds of up to \$2,000,000 by way of Short Form Offering Document; and (2) the issuance of up to 2,666,667 Welwyn common shares at a price of \$0.75 per Welwyn common share for gross proceeds of up to \$2,000,000 to be completed via a private placement, (collectively the "Offerings"). Welwyn has granted the Agent a 25% over allotment option, on the private placement only, for up to 666,667 common shares at \$0.75 per share for additional gross proceeds of up to \$500,000. The Offerings are subject to a 7% Agent's cash commission. The closing of the Offerings and the subsequent release of the net proceeds will be contingent upon the successful completion of the previously announced reverse take-over transaction with Pan Orient Energy Ltd. ("Pan Orient").

On February 24, 2005, Pan Orient completed the second and final tranche of its private placement totaling 10,666,666 Pan Orient Common Shares at a price of \$0.75 per Pan Orient Share, for gross proceeds of \$8,000,000.

Following a successful reverse take-over transaction with Pan Orient, and assuming the Offerings are fully subscribed for including the Agent's over

allotment option, Welwyn will have approximately 23,512,000 shares outstanding and working capital of approximately \$11,000,000 in cash.

The net proceeds received from the offerings of the common shares will be used to fund land and potential asset acquisitions in Asia and for the seismic and exploration and development programs on those properties, once acquired. Additionally, funds will be spent on expanded capital expenditures on Pan Orient's Sawn Lake heavy oil property.

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

N/A

7. Omitted Information

N/A

8. Executive Officer

H.S. (Scobey) Hartley, Chairman of the Board
Phone: 403-237-2396
Fax: 403-266-5388

9. Date of Report

March 23, 2005