

MATERIAL CHANGE REPORT

Filed pursuant to:

Section 75(2) of the Securities Act (Ontario)
Section 118(1) of the Securities Act (Alberta)
Section 85(1) of the Securities Act (British Columbia)

1. Reporting Issuer

CHANCELLOR ENTERPRISES HOLDINGS INC.
8A Westmore Drive
Toronto, Ontario
M9V 3Z7

2. Date of Material Change

March 20, 2003

3. Press Release

The Company issued a press release relating to the material change on March 20, 2003.

4. Summary of Material Change

The Company announced that it will be late filing its audited financial statements for the year ended October 31, 2002.

5. Full Description of Material Change

Please refer to Schedule "A".

6. Reliance on Confidential Filing Provisions of Legislation

This report is not being filed on a confidential basis.

7. Omitted Information

No significant facts or information required to be disclosed in this report has been omitted.

8. **Senior Officers**

For additional information with respect to this material change, the following person may be contacted:

Rose Ting
President and Chief Executive Officer
Telephone: (416)628-7673

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario this 20th day of March, 2003.

by: "Rose Ting"
Rose Ting
President and Chief Executive Officer

SCHEDULE "A"

Chancellor Enterprises Holdings Inc.

1011 Upper Middle Road East
Suite 1345
Oakville, Ontario
L6H 5Z9

PRESS RELEASE

FOR IMMEDIATE RELEASE – March 20, 2003

**CHANCELLOR ENTERPRISES ANNOUNCES
LATE FILING OF FINANCIAL STATEMENTS**

Chancellor Enterprises Holdings Inc. ("Chancellor" or the "Corporation") (YEH-TSXV) announced today that it will be late in filing its audited consolidated financial statements for the year ended October 31, 2002.

The anticipated late filing is a result of a delay in receiving financial information from the Corporation's subsidiary which has resulted in a delay in consolidating the Corporation's financial information.

The Corporation is working closely with its auditors, Grunwald & Co., Chartered Accountants to complete the financial statements as soon as possible. The Corporation anticipates that the financial statements will be filed by Friday March 28, 2002.

The Corporation acknowledges that the Ontario Securities Commission may impose a cease trade order if the financial statements have not been filed by May 20, 2003, being the date that is two months after the date that the financial statements were required to be filed. The Corporation confirms that it intends to satisfy the provisions of the Alternate Information Guidelines of the Ontario Securities Commission so long as it has not filed its financial statements, including issuing a news release every two weeks in order to keep the market informed of any developments during this time.

For further information contact:

Rose Ting, President and Chief Executive Officer at (416) 628-7673.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.