FRACMASTER LTD.

MATERIAL CHANGE REPORT

Section 118(1) of the Securities Act	**(Alberta)**
Section 75(2) of the Securities Act	**(Ontario)**
Section 67 of the Securities Act	**(British Columbia)**
Section 84 of the Securities Act, 1988	**(Saskatchewan)**
Section 73 of the Securities Act (1982)	**(Quebec)**
Section 81 of the Securities Act	**(Nova Scotia)**
Section 76 of the Securities Act, 1990	**(Newfoundland)**

1. Reporting Issuer

State the full name and address of the principal office in Canada of the reporting issuer.

Name	Address
Fracmaster Ltd.	1700 Fracmaster Tower 355-4th Avenue S.W. Calgary, Alberta T2P 0J1

2. Date of Material Change

June 2, 1998

3. News Release

State the date and place or places of the news release that was issued pursuant to Section 118(1) of the Securities Act.

Two releases, both dated June 2, 1998
Canada NEWSWire Ltd. (copies attached as Schedule “A” and Schedule “B”)

4. Summary of Material Change

Provide a brief but accurate summary of the nature and substance of the material change.

On June 2, 1998, at the request of the Toronto Stock Exchange and the Montreal Exchange, the Company issued a press release commenting on the recent weakness of the trading price of its listed securities.

In the first press release, the Company commented that it is not aware of any underlying circumstances unique to Fracmaster that would cause the recent price weakness.

In a second news release dated June 2, 1998, the company provided additional information with respect to its earnings expectations for 1998. Fracmaster commented if current low world crude oil prices persist for the balance of 1998, the Company expects earnings per share to be in the range of $0.75 to $0.80. This adjustment downward of approximately 30% from general analysts' estimates reflects the Company's assumption that crude oil prices will remain at current low values for the balance of 1998.

5. Full Description of Material Change

On June 2, 1998, at the request of the Toronto Stock Exchange and the Montreal Exchange, the Company issued a press release commenting on the recent weakness of the trading price of its listed securities.

In the first press release, the Company commented that it is not aware of any underlying circumstances unique to Fracmaster that would cause the recent price weakness. The press release also stated that traditionally, the Company's second quarter results reflect weaker revenues and earnings due to spring break-up conditions in Canada. This, combined with the continuing low world crude oil price environment, will further impair the Company's second quarter performance.

With respect to future prospects the Company stated in the first release that after the second quarter, Fracmaster expects to see a continued shift among its customers in North America to gas-related activity from oil-related activity. This shift should have a positive impact on oilfield services provided by Fracmaster for the balance of 1998. Looking forward to 1999, further improvements are anticipated from the full impact of recent acquisitions in the United States and higher gas-related activity in North America. As well, the Company expects to enjoy the benefits of a full year of operations from its China project in 1999. In Russia, the Company will continue to focus on fee-for-service activities. Fracmaster is well positioned to profit from positive changes in the Russian oil industry. Fee-for-service work is expected to create new opportunities both for fracturing and expansion into new services in Russia.

The Company also reminded investors in the first press release that it has in place two Normal Course Issuer Bids; one for its common shares and the second for instalment receipts representing common shares and that Fracmaster believes its securities have been trading in a price range that does not reflect their value in relation to the Company's prospects.

In a second news release also dated June 2, 1998, the company provided additional information with respect to its earnings expectations for 1998. Fracmaster commented that if current low world crude oil prices persist for the balance of 1998, the Company expects earnings per share to be in the range of $0.75 to $0.80. This adjustment downward of approximately 30% from general analysts' estimates reflects the Company's assumption that crude oil prices will remain at current low values for the balance of 1998.

6. Reliance on Section 118(2) of the Securities Act

If the report is being filed in reliance on Section 118(2) of the Securities Act, state the reasons for having kept the material change confidential.

NOT APPLICABLE

7. Omitted Information

NOT APPLICABLE

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 Chief of Securities Administration.

Name	Telephone No.
Gary T. Sherkey Senior Vice President, Finance & Administration, Chief Financial Officer	(403) 262-2222

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Gary T. Sherkey (signed)
Gary T. Sherkey
Senior Vice President, Finance & Administration
Chief Financial Officer

DATED at Calgary, this 9th day of June, 1998.

IT IS AN OFFENCE UNDER THE SECURITIES ACT AND THE SECURITIES REGULATION FOR PERSON OR COMPANY TO MAKE A STATEMENT IN DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.

Schedule A

News Release

June 2, 1998

At the request of the Toronto Stock Exchange and the Montreal Exchange, the Company has been asked to issue a press release commenting on the recent weakness of its listed securities.

The Company is not aware of any underlying circumstances unique to Fracmaster that would cause the recent price weakness.

Traditionally, the Company's second quarter results reflect weaker revenues and earnings due to spring break-up conditions in Canada. This, combined with the continuing low world crude oil price environment, will further impair the Company's second quarter performance.

After the second quarter, Fracmaster expects to see a continued shift among its customers in North America to gas-related activity from oil-related activity. This shift should have a positive impact on oilfield services provided by Fracmaster for the balance of 1998.

Looking forward to 1999, further improvements are anticipated from the full impact of recent acquisitions in the United States and higher gas-related activity in North America. As well, the Company expects to enjoy the benefits of a full year of operations from its China project in 1999.

In Russia, the Company will continue to focus on fee-for-service activities. Fracmaster is well positioned to profit from positive changes in the Russian oil industry. Fee-for-service work is expected to create new opportunities both for fracturing and expansion into new services in Russia.

The Company has in place two Normal Course Issuer Bids; one for its common shares and the second for instalment receipts representing common shares. Fracmaster believes its securities have been trading in a price range that does not reflect their value in relation to the Company's prospects.

Fracmaster Ltd. is an international oil and gas service and production company which is listed on the New York Stock Exchange, the Toronto Stock Exchange and the Montreal Exchange, and trades under the symbol "FMA". For further information on the Company, please visit our website at http://www.fracmaster.com.

This press release contains forward-looking statements that are subject to risk factors associated with the oil and gas business. Fracmaster believes that the expectations reflected in this release are reasonable, but results may be affected by a variety of variables including, but not limited to, price fluctuations, currency fluctuations, drilling and production results of our customers and partners, industry competition, environmental risks, political risks and capital restrictions.

For more information contact:

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Gary T. Sherkey
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Chief Financial Officer
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Tel: (403) 262-2222
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Schedule B

News Release

June 2, 1998

Fracmaster's Revised 1998 Expectations

Further to Fracmaster's press release of earlier today, the Company wishes to provide additional information with respect to its earnings expectations for 1998.

If current low world crude oil prices persist for the balance of 1998, the Company expects earnings per share to be in the range of $0.75 to $0.80. This adjustment downward of approximately 30% from general analysts' estimates reflects the Company's assumption that crude oil prices will remain at current low values for the balance of 1998.

Fracmaster Ltd. is an international oil and gas service and production company which is listed on the New York Stock Exchange, the Toronto Stock Exchange and the Montreal Exchange, and trades under the symbol "FMA". For further information on the Company, please visit our website at http://www.fracmaster.com.

This press release contains forward-looking statements that are subject to risk factors associated with the oil and gas business. Fracmaster believes that the expectations reflected in this release are reasonable, but results may be affected by a variety of variables including, but not limited to, price fluctuations, currency fluctuations, drilling and production results of our customers and partners, industry competition, environmental risks, political risks and capital restrictions.

For more information contact:

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