FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Reporting Issuer:

Twin Butte Energy Ltd. (the "**Corporation**" or "**Twin Butte**")
Suite 410, 396 – 11th Avenue S.W.
Calgary, Alberta
T2R 0C5

2. Date of Material Change:

November 30, 2010.

3. News Release:

A news release disclosing the details discussed in this material change report was issued by the Corporation on December 2, 2010 and disseminated through the facilities of a recognized newswire service.

4. Summary of Material Change:

On November 30, 2010, Twin Butte completed the purchase of conventional heavy oil producing assets primarily in the Frog Lake area of northeastern Alberta for a purchase price net of standard closing adjustments of $19.5 million. Twin Butte financed the acquisition from its existing corporate credit facility which, post closing the transaction, was increased to $128 million.

5. Full Description of Material Change:

On November 30, 2010, Twin Butte completed the purchase of conventional heavy oil producing assets primarily in the Frog Lake area of northeastern Alberta for a purchase price net of standard closing adjustments of $19.5 million. The assets which include wells and associated production facilities are currently producing approximately 500 bbls per day of oil. The acquisition included 10.2 gross (10.1 net) sections of crown land and operated production in the Frog Lake area directly adjacent to Twin Butte's existing Frog Lake operations.

Twin Butte financed the acquisition from its existing corporate credit facility which, post closing the transaction, was increased to $128 million.

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

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The name and business telephone number of the executive officer of the Corporation who is knowledgeable of the material change and this report is:

R. Alan Steele
Vice-President, Finance, Chief Financial Officer and Corporate Secretary
Telephone: (403) 215-2692

9. Date of Report:

December 2, 2010.

Reader Advisory

In this material change report, reserves and production data are commonly stated in barrels of oil equivalent ("boe") using a six to one conversion ratio when converting thousands of cubic feet of natural gas ("Mcf") to barrels of oil ("bbl") and a one to one conversion ratio for natural gas liquids ("NGLs" or "ngls"). Such conversion may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 bbl is based on energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.