FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Address and Name of Company:

E4 Energy Inc.
730, 840 – 6th Avenue S.W.
Calgary, Alberta
T2P 3E5

Item 2. Date of Material Changes:

October 4, 2005

Item 3. News Release:

A press release was issued by E4 Energy Inc. on October 4, 2005 by CCN Matthews.

Item 4. Summary of Material Change:

Calgary, Alberta – E4 Energy Inc. ("E4" or the "Company") is pleased to announce today that it has increased its previously announced $10,001,250 "bought deal" financing (see Press Release of September 28, 2005) by an additional 30,000 common shares at $1.90 per share and 88,000 flow-through shares at $2.45 per share, for a total issue of 2,662,000 common shares at $1.90 per share and 2,129,000 flow-through shares at $2.45 per share for gross total proceeds of $10,273,850. The shares issued under this offering will be subject to a hold period of four months from closing. Insiders of the Company will be purchasing up to 2.5 percent of the offering.

Item 5. Full Description of Material Changes:

Calgary, Alberta – E4 Energy Inc. ("E4" or the "Company") is pleased to announce today that it has increased its previously announced $10,001,250 "bought deal" financing (see Press Release of September 28, 2005) by an additional 30,000 common shares at $1.90 per share and 88,000 flow-through shares at $2.45 per share, for a total issue of 2,662,000 common shares at $1.90 per share and 2,129,000 flow-through shares at $2.45 per share for gross total proceeds of $10,273,850. The shares issued under this offering will be subject to a hold period of four months from closing. Insiders of the Company will be purchasing up to 2.5 percent of the offering.

The shares will be issued through a syndicate of underwriters led by Canaccord Capital Corporation and including Tristone Capital Inc., Dundee Securities Corp. and Blackmont Capital Inc.

Closing of this private placement is scheduled for on or about October 20, 2005 and is subject to normal regulatory and stock exchange approvals.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The common shares offered have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold within the United States absent registration or applicable exemption from the registration requirements of the U.S. Securities Act.

E4 Energy Inc. is a junior oil and gas company engaged in the exploration for, and development and production of natural gas and crude oil reserves primarily in the provinces of British Columbia and Alberta. E4's common shares trade on the TSX Venture Exchange under the symbol "EFE".

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

Not applicable

Item 7. Omitted Information:

Not applicable

Item 8. Executive Officer:

Paul Starnino
President and Chief Executive Officer
Telephone: (403) 266-6747

Item 9. Date of Report:

October 5, 2005.