This document requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your broker, investment dealer, lawyer or other professional advisor. No securities commission or similar authority has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. The securities being offered hereby 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 in the United States or to a U.S. person as defined in Regulation S under the U.S. Securities Act unless an exemption from registration is available.

July 18, 2000

NOTICE OF CHANGE

of the

PROPRIETARY INDUSTRIES INC.

OFFER TO PURCHASE

up to 5,000,000 common shares (including the associated Rights) of

PRISM PETROLEUM INC.

at a price per share of

$1.25 (Cdn.) cash

or

0.30 of a Proprietary Common Share
or
a combination thereof

Holders of Prism Shares who wish to accept the Offer must properly complete and execute the Letter of Transmittal that accompanied the Offer or a manually executed facsimile thereof and deposit it, together with a certificate or certificates representing their Prism Shares, at one of the offices of Computershare Investor Services, Inc., formerly Montreal Trust Company of Canada, (the "Depositary") shown in the Letter of Transmittal, in accordance with the instructions in the Letter of Transmittal. Alternatively, a holder of Prism Shares who desires to deposit such shares and whose certificate or certificates for such shares are not immediately available may deposit such certificate or certificates by following the procedures for guaranteed delivery set forth in Section 3 of the Offer, "Manner of Acceptance".

Unless the context otherwise requires, terms denoted by initial capital letters and not defined herein have the respective meanings set forth in the Offer dated July 12, 2000 and the accompanying Circular.

Questions and requests for assistance may be directed to Proprietary, the Depositary, the Dealer Manager or your broker or other financial advisor. Additional copies of this Notice, the Offer and accompanying Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained upon request without charge from Proprietary, the Depositary or the Dealer Manager at their respective offices shown in the Letter of Transmittal.

Persons whose Prism Shares are registered in the name of a nominee should contact their stockbroker, investment dealer, bank, trust company or other nominee for assistance in depositing their Prism Shares.

The Dealer Manager for the Offer is:
GOEPEL McDERMID INC.
Attn: Glenn Olnick – 1 888 888 2080

NOTICE OF CHANGE

TO: THE HOLDERS OF PRISM SHARES

Reference is made to the offer (the "Offer") dated July 12, 2000 by Proprietary Industries Inc. ("Proprietary") to purchase up to 5,000,000 (approximately 50%) of the outstanding common shares, together with the associated Rights (collectively, the "Prism Shares"), of Prism Petroleum Inc. ("Prism"), and the accompanying take-over bid circular (the "Circular"). **The purpose of this Notice is to correct certain information contained in the Offer and Circular (the Offer and Circular shall collectively be referred to herein as the "Take-Over Bid Circular")**. **The terms and conditions contained in the Take-Over Bid Circular continue to be applicable in all respects and this Notice should be read in conjunction therewith.** Unless the context otherwise requires, terms denoted by initial capital letters and not defined herein have the respective meanings set forth in the Take-Over Bid Circular.

CORRECTIONS

1. Each of the tables on page 7 and page 26 of the Take-Over Bid Circular setting out selected pro forma consolidated financial information is hereby deleted and replaced with the following:

	Proprietary	Prism	
	As at and for the year ended September 30, 1999	As at and for the year ended December 31, 1999	Pro Forma
	(audited)	(audited)	(unaudited)
Gross revenue	$30,328,370	$3,958,085	$34,286,455
Net income (loss)	$6,628,943	$206,838	$6,749,583
Net income (loss) per share (basic)	$0.42	$0.005	N/A
Cash flow from operations	$1,425,343	$1,908,089	$3,334,432
Cash flow per share (basic)	$0.09	$0.039	N/A
Total assets	$57,272,900	$15,180,687	$70,341,347
Long term debt	$19,493,152	$3,080,000	$22,573,152
Shareholders' equity	$32,632,557	$9,052,084	$35,046,359

(1) See notes 1 and 2 to the unaudited pro forma consolidated financial statements set forth in Appendix "C" to the Circular for assumptions and adjustments. Such statements may not be indicative of the results that actually would have occurred if the events reflected herein had been in effect on the dates indicated or of the results expected in future periods.

2. The first line of the second paragraph of the Consent of Hudson & Company on page 34 of the Take-Over Bid Circular, which line states, "We hereby consent to the use in the Circular of our report dated July 12, 2000 to the board of directors of ", is hereby corrected to read, "We hereby consent to the use in the Circular of our report dated January 21, 2000 to the board of directors of ".

3. The date of the auditors' report of Hudson & Company on page B-1 of Appendix "B" to the Take-Over Bid Circular is hereby corrected to be January 21, 2000 (rather than July 12, 2000).

STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides holders of Prism Shares with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, if there is a misrepresentation in a circular or notice that is required to be delivered to the holders of Prism Shares. However, such rights must be exercised within prescribed time limits. Holders of Prism Shares should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

APPROVAL AND CERTIFICATE

The contents of this Notice have been approved, and the sending, communication or delivery thereof to the holders of Prism Shares has been authorized by the board of directors of Proprietary. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. In addition, the foregoing does not contain any misrepresentation likely to affect the value or the market price of the securities which are the subject of the Offer.

DATED: July 18, 2000

(signed) Peter J. Workum President	(signed) Theodor Hennig, C.A. Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(signed) Conrad Kathol Director	(signed) Robert McPherson Director