MATERIAL CHANGE REPORT

1. **Reporting Issuer:**

   Place Resources Corporation
   Suite 920, Western Gas Tower
   530 – 8th Avenue S.W.
   Calgary, Alberta   T2P 3S8

2. **Date Of Material Change:**

   July 18, 2000.

3. **Press Release:**

   On July 18, 2000 at Calgary, Alberta, a news release was issued and disseminated in respect of the change.

4. **Summary Of Material Change:**

   Place Resources Corporation ("Place") has entered into an agreement effective July 18, 2000 (the "Acquisition Agreement") with Magin Energy Inc. ("Magin") pursuant to which Magin has agreed to make an offer to purchase all of the issued and outstanding common shares of Place on the basis of 0.90 common shares of Magin for each common share of Place.

   The board of directors of Place has unanimously recommended that shareholders of Place accept the offer. Place has agreed not to solicit other transaction proposals, subject to the fiduciary obligations of the board of directors of Place. In the event a superior proposal is received, Magin will be provided with notice of such superior proposal and given the opportunity to amend the Acquisition Agreement to provide at least as favourable terms as those in the superior proposal.

   The offer is expected to be mailed to Place shareholders in early August, 2000. The offer is conditional upon, among other things, acceptance of the offer by the holders of at least 66b% (calculated on a fully diluted basis) of the outstanding common shares of Place, and obtaining all required regulatory approvals. The offer will expire 22 calendar days from the date of mailing.

   All of the directors and senior officers of Place (holding 8.8% of the common shares of Place) have entered into lock-up agreements in which they have agreed to tender their common shares pursuant to the offer.

   Place has agreed to pay Magin a non-completion fee of $1 million if the transaction is not completed in certain circumstances.

5. **Full Description Of Material Change:**

   A copy of the Acquisition Agreement is attached as Schedule "A" hereto and a copy of the form of lock-up agreement signed by the directors and senior officers is attached as Schedule "B" hereto.

6. **Reliance on Confidential Filing Provisions:**

Not applicable.

7. **Omitted Information:**

Not Applicable.

8. **Senior Officers:**

For further information contact:

Keith Hern, President and Chief Executive Officer of Place Resources Corporation at (403) 262-7114.

9. **Statement Of Senior Officer:**

The foregoing accurately discloses the material change referred to in this material change report.

DATED at Calgary, Alberta this 20th day of July, 2000.

PLACE RESOURCES CORPORATION

Per: (signed) "*Robert T. Malcolm*"
Robert T. Malcolm
Secretary

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