

FORM 27
MATERIAL CHANGE REPORT
Section 85(1) of the *Securities Act* (British Columbia)
Section 146(1) of the *Securities Act* (Alberta)
Section 75(2) of the *Securities Act* (Ontario)

Item 1. Reporting Issuer:

The name and address of the reporting issuer is:

Nu-Sky Energy Inc.
600, 505 8th Avenue S.W.
Calgary, Alberta
T2P 1G2

Item 2. Date of Material Change:

July 31, 2003

Item 3. News Release:

The press release reporting the material change, a copy of which is attached hereto as Appendix A, was released August 1, 2003 through the services of Canada Newswire Ltd.

Item 4. Summary of Material Change:

Kinloch Resources Inc. ("Kinloch") and Nu-Sky Energy Inc. ("Nu-Sky") jointly announced that the previously announced acquisition of Nu-Sky by Kinloch has been completed.

Under the terms of the acquisition, Kinloch acquired all of the outstanding common shares of Nu-Sky pursuant to a plan of arrangement pursuant to the *Business Corporations Act* (Alberta) in exchange for approximately C\$13.2 million in cash and approximately 9.1 million common shares of Kinloch.

Item 5. Full Description of Material Change:

See item 4 above.

Item 6. Reliance on Confidentiality Provisions of the Acts:

Not applicable.

Item 7. Omitted Information:

Not applicable.

Item 8. Senior Officer knowledgeable about the Material Change and this Report:

For further information, please contact Paul W. M. Read, President and Chief Executive Officer, at 403-503-0573 (Tel.).

Item 9. Statement of Senior Officer:

The foregoing accurately discloses the material change referred to herein.

DATED July 31, 2003 at Calgary, Alberta.

NU-SKY ENERGY INC.

By: _____
Paul W. M. Read
President and Chief Executive Officer

IT IS AN OFFENCE UNDER THE *SECURITIES ACT* AND THE *SECURITIES REGULATION* FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A 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