

MATERIAL CHANGE REPORT

1. REPORTING ISSUER

TUSK Energy Inc. ("**TUSK**")
1950, 700 - 4th Avenue S.W.
Calgary, Alberta T2P 3J4

2. DATE OF MATERIAL CHANGE

August 6, 2003

3. PRESS RELEASE

A press release announcing the material change was issued on August 6, 2003.

4. SUMMARY OF MATERIAL CHANGES

On August 6, 2003, TUSK announced that the Shane Kiskatinaw "D" Pool (the "**Pool**") had been shut in.

5. FULL DESCRIPTION OF MATERIAL CHANGES

On June 10, 2003, the Alberta Energy Utilities Board (the "**AEUB**") issued Order No. GA360 (the "**Order**"), which describes the manner in which production is to be allocated from the Pool and provided that production from the Pool be balanced on a monthly basis such that any under, or over, production in any month be balanced the following month. Since the time of the issuance of the Order, a third party producer in the Pool shut-in its well. A clarification by the AEUB determined that as a result of this action, over-production by the other Pool producers had occurred in the subsequent month. This resulted in the requirement that the other producers from the Pool shut-in their production from the Pool.

TUSK and its partners are taking all necessary steps to ensure that production from the Pool comes back on-stream as quickly as possible. Production from any of the wells in the Pool will not be allowed to resume without the consent of the AEUB. It is expected that such consent will occur either after the AEUB is advised that an agreement has been finalized among all of the producing parties or after the AEUB issues a clarification of how the existing Order is applied.

Immediately prior to the shut-in, TUSK's net production from the Pool was approximately 1,300 boepd.

6. FILING ON A CONFIDENTIAL BASIS

Not applicable.

7. OMITTED INFORMATION

Not applicable.

8. **SENIOR OFFICERS**

For further information, please contact:

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9. **STATEMENT OF SENIOR OFFICER**

The foregoing accurately discloses the material changes referred to herein.

DATED at the City of Calgary, in the Province of Alberta, this 18th day of August, 2003.

TUSK ENERGY INC.

Per: "Norman W. Holton"

Norman W. Holton