MATERIAL CHANGE REPORT
Form 51-102F3

Item 1. Name and Address of Company

Torque Energy Inc.
Suite 100, 360 Queens Avenue
London, Ontario N6B 1X6

Item 2. Date of Material Change

April 29, 2011

Item 3. News Release

A news release was issued via Marketwire on May 2, 2011.

Item 4. Summary of Material Change

Torque Energy Inc. has accepted, subject to receipt of a favourable fairness opinion, an offer from Eurogas Corporation whereby Torque will become a wholly-owned subsidiary of Eurogas.

Item 5.1 Full Description of Material Change

Torque Energy Inc. has accepted, subject to receipt of a favourable fairness opinion, an offer from Eurogas Corporation effective April 29, 2011 whereby Torque will become a wholly-owned subsidiary of Eurogas.

The transaction will be carried out on the basis that Torque shareholders will receive, for each share of Torque held, either 0.5 Eurogas shares or, at the shareholder's option, payment of $0.50. Shareholders in the United States of America will only receive the cash payment.

The share for share exchange represents a 27.7% premium to Torque's closing share price of $0.325 on April 28, 2011 (based on Eurogas' closing price of $0.83 on that day) and a 43.8% premium to Torque's volume weighted share price of $0.291 for the 20 days ending on April 28, 2011 (based on Eurogas' 20 day volume weighted share price of $0.837 for the same period). The cash payment represents a 53.8% premium to such closing share price for Torque and a 71.8% premium to the 20 day volume weighted share price for Torque.

It is intended that the acquisition will be carried out by way of an amalgamation of Torque with a subsidiary of Eurogas. The transaction is subject to receipt of stock exchange and shareholder approvals.

Torque understands that Dundee Corporation currently owns approximately 54% of Eurogas and 19% of Torque shares and, as a result, Dundee and certain associated parties cannot vote their shares of Torque at the shareholder meeting that will be called to approve this transaction.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable

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

Not applicable

Item 7. Omitted Information

Not applicable

Item 8. Executive Officer

Inquiries in respect of the material change referred to herein may be made to:

David C. Nelms, Chief Financial Officer
Torque Energy Inc.
Suite 100, 360 Queens Avenue
London, Ontario N6B 1X6
Tel: 519.433.7710
Fax: 519.433.7588

Item 9. Date of Report

May 2, 2011.