BC FORM 53-901F
(Previously Form 27)

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)

1. Reporting Issuer

Catalina Energy Corp. (the "Issuer")
#611 – 675 West Hastings Street
Vancouver, BC
V6B 1N2

2. Date of Material Change

December 20, 2002

3. Press Release

Date of Issuance: December 20, 2002

Place of Issuance: Vancouver, British Columbia

4. Summary of Material Change

The Issuer announced that it had negotiated two private placements for gross proceeds of $208,000.The funds raised will be flow through funds and will be spent on the Issuer's projects located in Alberta, Canada.

5. Full Description of Material Change

The Issuer announced that it has that it has signed a letter of intent with Canadian Gold and Diamonds Limited Partnership for the private placement of 800,000 flow-through common shares of the Issuer priced at $0.13 per share. The Issuer has agreed to pay a cash finder's fee equal to 7.5% of the gross proceeds as well as issue warrants exercisable for a period of two years into one common share at a price of $0.14 equal to 15% of the units being subscribed for. The finder's fee is payable to Golden Capital Securities Ltd.

The Issuer has also negotiated a second private placement of up to 800,000 flow-through units at a price of $0.13 per unit. Each unit will consist of one flow-through share and one-half non-flow-through share purchase warrant. One whole warrant will entitle the holder to purchase one additional common share of the Issuer for a period of 24 months at a price of $0.15 per share. The Issuer has agreed to pay a cash finder's fee equal to 7.5% of the gross proceeds as well as issue warrants exercisable for a period of two years into one common share at a price of $0.14 equal to 15% of the units being subscribed for. The finder's fee is payable to Golden Capital Securities Ltd.

The funds will be spent on the Issuer's projects located in Alberta, Canada.

6. Reliance on Section 85(2) of the Act

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officers

For further information contact:

Ian E. Gallie
President
Telephone: (250) 598-9091

9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia this 23rd day of December, 2002.

CATALINA ENERGY CORP.

Per: *"Ian E. Gallie"*
Ian E. Gallie
President

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