This is the form of a material change report required under section 85(1) of the British Columbia *Securities Act* (the "B.C. Act") and section 151 of the British Columbia *Securities Rules* AND under section 118(1) of the Alberta *Securities Act* (the "Alberta Act").

FORM 27
SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT AND SECTION 118(1) OF THE ALBERTA ACT

1. **Reporting Issuer**

PALLAUM MINERALS LTD.
1000 – 355 Burrard Street
Vancouver, B.C., V6C 2G8
(604) 687-5257
(604) 687-0384 (facsimile)

2. **Date of the Material Change**

September 13, 2000 and September 19, 2000

3. **Press Release**

Press releases disseminated through Canada Stockwatch, Vancouver Market News, George Cross News Letter, Canadian Venture Exchange – Alberta, British Columbia Securities Commission, Alberta Securities Commission and U.S. Securities and Exchange Commission.

4. **Summary of Material Change**

September 13, 2000

The Issuer announced a private placement, investors relations contract and the granting of a stock option.

September 19, 2000

The Issuer announced the execution of an agreement to acquire a 22½% working interest or an 18% net revenue interest in an Archer County Shallow Reef prospect.

5. **Full Description of Material Change**

September 13, 2000

"The Company is pleased to announce a private placement of $95,200 (Cdn.). The private placement consists of 560,000 units priced at $0.17 per unit. Each unit consists of one common share and one 2-year purchase warrant that enables the investor to purchase an additional 560,000 shares at a price of $0.22 per share. The President of Company will be taking down the private placement.

The Company has entered into an agreement with Critical Link Communications Inc. ("Critical Link") of Vancouver, British Columbia to carry out investor relations and to assist the Company in raising capital for further oil and gas projects. Arrie Merrin, the principal of Critical Link was a former broker in the Vancouver brokerage community. The six-month contract calls for the Company to pay a monthly retainer of $3,500 per month. The Company will also issue Critical Link a stock option to purchase 200,000 shares of the Company at an exercise price of $0.22 per share. The option will be issued for a period of two years.

All the above transactions are subject to the approval of regulatory authorities.

The Company is still awaiting for a definitive drilling commencement date for the Hood County prospect in Texas.

The Company is reviewing other oil and gas opportunities to take advantage of the high oil and natural gas prices."

September 19, 2000

"Archer County Shallow Reef Prospect

The Company is pleased to announce that it has executed an agreement to acquire a 22½% working interest or an 18% net revenue interest in an Archer County Shallow Reef prospect. The prospect, with the potential to drill up to 6 wells, is 190 acres in all. The 3,300 foot deep first well will be drilled to test the Palo Pinto Reef formation. The prospect was developed by Oil For America and the Geologist, Jamil Azad, P. Geol. estimates the reef could contain 5 million barrels of oil based on nearby oil wells and a 2-D seismic study. The prospect was selected based on a remote sensing technique developed by Mr. Azad (see article in Oil &Gas Journal May 29, 2000 issue). The well is expected to be drilled in early October of this year and the drilling and testing will take approximately one week.

The Hood County prospect is proceeding forward. Steps are being taken to secure a new operator and an experienced drill crew to commence operations on the prospect in October.

The Company is reviewing further prospects and will announce successful acquisitions when secured."

6. **Reliance on Section 85(2) of the B.C. Act and Section 118(2) of the Alberta Act**

Not Applicable

7. **Omitted Information**

No information has been omitted from this form.

8. **Senior Officers**

The following senior officers of the Issuer may be contacted about the material change:

Stanley R. Ford	President	(604) 687-5357

Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, British Columbia this 19th day of September, 2000.

(Signed)

"Stanley R. Ford",
President