FORM 51-102F3
MATERIAL CHANGE REPORT

1. Reporting Issuer:

First Calgary Petroleums Ltd.
500, 1414 8th Street S.W.
Calgary, AB T2R 1J6

2. Date of Material Change:

February 19, 2007

3. News Release:

On February 19, 2007 at Calgary, Alberta, a news release was issued and disseminated through Canada NewsWire.

4. Summary of Material Change:

First Calgary Petroleums Ltd. ("First Calgary") announced MLE field development approval.

5. Full Description of Material Change:

Sonatrach (Algeria's national oil company) and partner First Calgary Petroleums Ltd. ("FCP" or the "Company") announce the receipt of approval from the Algerian regulatory authority ALNAFT for the Development Plan for the MLE oil and gas field on Block 405b, located in Algeria's Berkine Basin. Included as part of the Block 405b development planning are a gas plant and field gathering system and facilities designed to process 230 million cubic feet of raw gas per day on a gross basis and associated natural gas liquids and oil. The plant capacity can be expanded to treat up to 460 million cubic feet of raw gas per day.

Block 405b will be developed in a staged process designed to maximize the economic value of the block's reserves, commencing with the MLE field situated on the eastern portion of the block. Block 405b also contains a number of oil and gas discoveries situated west of the MLE field which will be layered in upon completion of the block appraisal programme and approval of commerciality.

FCP and Sonatrach have recently signed a long term take or pay Gas Marketing Agreement whereby Sonatrach will market the total natural gas production from Block 405b. The marketing agreement is structured similarly to standard natural gas long term supply agreements. No commercial arrangements have been entered into in respect of the sale of liquids production; FCP's share of production will be sold at world market prices.

The MLE field will be developed for simultaneous dry gas and liquids production with first production currently targeted for late 2009. Sonatrach and FCP will form a joint operating group to design, build and operate the production, processing and block tie-in facilities and pipelines. The initial gross field reserves to be developed and recovered are 1.3 trillion cubic feet of gas equivalent (approximately 230 million barrels of oil equivalent), with dry gas and liquids (oil, condensates and liquefied petroleum gas) each contributing approximately one half of total MLE production revenues. The daily volumes for the MLE field over an initial 10 year flat plateau include 200 million cubic feet per day of dry gas under contract, along with liquids of 21 thousand barrels per day while the plant, production and field gathering facilities are being designed for expansion to 400 million cubic feet per day of dry gas and associated natural gas liquids and oil to accommodate additional production.

The total gross estimated cost of the MLE development, including the expanded plant and field gathering facilities, has been revised to approximately US$1.3 billion reflecting the agreement of FCP and Sonatrach to include the cost of the block tie-in pipelines as a joint development cost. Consequently FCP will receive an increased share of production under the Production Sharing Contract, providing an offset to the increased cost. Dry gas and liquids pipelines are planned to be constructed by the joint venture from Block 405b to a tie-in point on the national pipeline grid approximately 140 km west of the block. In addition, an oil pipeline is planned to be built to a tie-in point on an existing oil pipeline in the Berkine Basin (PK0).

The development cost will be mainly incurred over the 2007 – 2009 period and be funded 75% by FCP and 25% by Sonatrach. The contract for the Front End Engineering and Design (FEED) work has been tendered. It is expected the FEED work will be completed and an Engineering, Procurement and Construction contract will be tendered and awarded in 2007. Project costs will be refined during the FEED process.

Notes:

FCP advises that in December 2006 the Algerian Government published a further decree setting out the detailed rules for implementing the windfall profits tax announced in July last year. The decree specifies that the new tax, which will be calculated monthly, will apply when the monthly average Brent oil price exceeds $30 per barrel.

In its application to Block 405b, the rate of tax will be set by reference to FCP's share of oil and gas production under our Production Sharing Contract. The rate of tax commences at a rate of 5% where FCP's share of production is 20,000 barrels of oil equivalent per day (boepd) or less, rising in steps to 50% at levels where FCP's share is over 100,000 boepd. At the initial contracted rate of gas production, together with the associated liquids, for the MLE field as described above, the applicable rate of tax is expected to be a maximum of 5% of production.

As the new tax is in the early stages of its implementation, FCP and its advisors are continuing to monitor and evaluate how the tax will be applied to Block 405b in practice. Our Production Sharing Contract contains a stabilization clause that may protect our existing investment and related asset value.

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

Not Applicable

7. Omitted Information:

Not Applicable

8. Executive Officer:

For further information contact Richard G. Anderson, President and Chief Executive Officer by telephone at (403) 264-6697 or by fax at (403) 264-3955.

9. Date of Report:

February 22, 2007