Form 51-102F3
Material Change Report

Item 1: Name and Address of Company

LIGNOL ENERGY CORPORATION
2100 – 1075 West Georgia Street
Vancouver, BC V6E 3G2

Telephone: (604) 631 4731

Item 2: Date of Material Change

March 13, 2007

Item 3: News Release

The news release was issued at Vancouver, BC on March 13, 2007 and disseminated via Canada Newswire

Item 4: Summary of Material Change

Lignol Energy Corporation ("Lignol Energy" or the "Company") announced that its wholly owned subsidiary, Lignol Innovations Ltd., has been awarded a contract by UT-Battelle, LLC, on behalf of Oak Ridge National Laboratory ("ORNL") to supply lignin for which it will receive US$304,437 over a three year period.

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

Lignol Energy announced that its wholly owned subsidiary, Lignol Innovations Ltd., has been awarded a contract by UT-Battelle, LLC, on behalf of ORNL to supply lignin for which it will receive US$304,437 over a three year period. The contract relates to a U.S. Department of Agriculture award to ORNL of US$1 million, to develop a proof-of-concept for the production of industrial grade carbon fiber from lignin.

There is growing interest in using light-weight composite materials in automobile and truck body panels and structural parts to reduce vehicle weight and increase fuel efficiency. Carbon fibers are currently made from raw materials obtained from crude oil, and are expensive. Carbon fiber is most notably used to reinforce composite materials, particularly the class of materials known as carbon fiber reinforced plastics. This class of materials is used in aircraft parts, high-performance vehicles, tuner cars, sporting equipment, wind generator blades and gears and other demanding mechanical applications. Carbon fibers are essential components in most light-weigh composite materials where they serve to stiffen and strengthen the material. Such composites are used extensively in the aerospace industry where strong but light weight components are critical to performance and fuel

efficiency.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7: Omitted Information

No significant facts remain confidential and no information has been omitted in this report.

Item 8: Executive Officer

Name of Executive Officer:	Ross MacLachlan President
Telephone Number:	(604) 222 9800

Item 9: Date of Report

March 23, 2007