

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

Item 2: *Date of Material Change*

November 6 and 13, 2007

Item 3: *News Release*

The news releases were issued at Vancouver, British Columbia on November 6 and 13, 2007 and disseminated via Canada Newswire.

Item 4: *Summary of Material Change*

On November 6, 2007, Lignol Energy Corporation (“Lignol” or the “Company”) announced that a project led by its wholly-owned subsidiary, Lignol Innovations Ltd., (“LID”) has been awarded up to \$2,749,134 in additional funding contributions from Sustainable Development Technology Canada (“SDTC”) in addition to the \$1.7 million previously awarded from SDTC which represents an aggregate contribution from SDTC of up to \$4,449,134.

On November 13, 2007, Lignol announced that LID has also been awarded additional grants of up to \$4.1 million from the Alberta Government to support the ongoing development and commercialization of its unique process technology for the conversion of cellulosic biomass into ethanol and other biochemicals.

Item 5: *Full Description of Material Change*

5.1 *Full Description of Material Change*

On November 6, 2007, Lignol announced that a project led by its wholly-owned subsidiary, LID, has been awarded up to \$2,749,134 in additional funding contributions from SDTC in addition to \$1.7 million previously awarded from SDTC which represents an aggregate contribution from SDTC of up to \$4,449,134.

The Company intends to use the funding to support the expanded scope of its current work plan, which will see the establishment of a new industrial scale pilot plant in the coming months which will

accelerate its efforts to commercialize its technology.

On November 13, 2007, Lignol announced that LID has also been awarded additional grants of up to \$4.1 million from the Alberta Government to support the ongoing development and commercialization of its unique process technology for the conversion of cellulosic biomass into ethanol and other biochemicals.

The grant is in addition to the previously announced grant of up to \$870,000 that Lignol was awarded from the Government of Alberta in May 2007. Both grants are part of the government's Biorefining Commercialization and Market Development Program. The Alberta Government grants will be received in stages and are conditional upon the completion of certain agreed upon work plans.

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

November 16, 2007