

December 22, 2000

"CONTINUOUS DISCLOSURE"

THE ALBERTA SECURITIES COMMISSION

21st Floor
10025 Jasper Avenue
Edmonton, Alberta
T5J 3Z5

THE ONTARIO SECURITIES COMMISSION

20 Queen Street West
Suite 800, Box 55
Toronto, ON M5H 3S8

THE BRITISH COLUMBIA SECURITIES COMMISSION

1100, 865 Hornby Street
Vancouver, BC V6Z 2H4

Dear Sirs:

RE: MATERIAL CHANGE REPORT

Item 1 - Reporting Issuer

DESTINY RESOURCE SERVICES CORP.
300, 444 - 58th Avenue S.E.
Calgary, Alberta T2H 0P4

Item 2 - Date of Material Change

The material changes occurred on December 14, 2000.

Item 3 - News Release

On December 14, 2000 a press release was issued through the North American Disclosure section of Canadian Corporate News wire service.

Item 4 - Summary of Material Change

Destiny Resource Services Corp. ("Destiny" or "the Company") reached an agreement in principal with First Reserve Fund VIII L.P. to convert interest under its 8% Convertible Debenture to common shares.

Destiny received and accepted the resignations of Adrian Erickson as CEO and John Newman as CFO and as a director of the Company. Bruce Libin has been appointed by the Board as Managing Director and will perform the duties of the CEO and CFO.

Item 5 - Full Description of Material Change

Destiny Resource Services Corp. announced that to increase its working capital borrowing capacity to finance increased activity it has reached an agreement in principal with First Reserve Fund VIII L.P. to convert \$1.8 million of interest under its 8% Convertible Debenture to common shares.

Destiny also announced that it has received and accepted the resignations of Adrian Erickson as CEO and John Newman as CFO and as a director of the Company. Mr. Erickson remains a director. Both Messrs. Erickson and Newman resigned for personal reasons but have advised of their intentions to remain as shareholders and to support the Company, its management and the Board of Directors. Both have also agreed to provide consulting services to Destiny to ensure an effective transition of their duties. Bruce Libin, Chairman of the Board of Directors, has been appointed by the Board as Managing Director and will perform the duties of the CEO and CFO until the Board identifies appropriate candidates to fill those positions.

Item 6 - Reliance on Section 118(2) of the Securities Act

Not applicable.

Item 7 - Omitted Information

Not applicable

Item 8 - Senior Officer

The name of a Senior Officer of the Corporation who is knowledgeable about the material changes and this report and who can be contacted by the Chief of Securities Administration is:

BRUCE LIBIN
Chairman of the Board & Managing Director
Business Telephone Number: (403) 237-6437

Item 9 - Statement of Senior Officer

The foregoing accurately discloses the material change referred to in this report.

Dated at the City of Calgary, in the Province of Alberta, this 22nd day of December, 2000.

signed "Fran Agar"

FRAN AGAR
Corporate Secretary