

MATERIAL CHANGE REPORT

1. Reporting Issuer:

PURSUIT RESOURCES CORP.
600, 333 - 5th Avenue S.W.
Calgary, Alberta
T2P 3B6

2. Date of Material Change:

February 16, 2000

3. Press Release

A press release relating to the material change described herein was released by ISDN Wire Service on February 17, 2000.

4. Summary of Material Change:

On February 16, 2000 Pursuit Resources Corp. ("Pursuit") and EnerMark Income Fund ("EnerMark") entered into an agreement (the "Pre-Acquisition Agreement") under which EnerMark will make an offer (the "Offer") to purchase all the issued and outstanding common shares of Pursuit on the basis of 0.8 of an EnerMark Trust Unit or \$3.00 cash (to a maximum of \$15 million) for each Pursuit common share.

5. Full Description of Material Change:

On February 16, 2000 Pursuit Resources Corp. ("Pursuit") and EnerMark Income Fund ("EnerMark") entered the Pre-Acquisition Agreement under which EnerMark will make the Offer to purchase all the issued and outstanding common shares of Pursuit on the basis of 0.8 of an EnerMark Trust Unit or \$3.00 cash (to a maximum of \$15 million) for each Pursuit common share.

The Pre-Acquisition Agreement is the result of a process undertaken by Pursuit to review strategic alternatives and the consideration by Pursuit's board of directors of a number of competing alternatives. Peters & Co. Limited, financial advisor to the Special Committee of the board of directors of Pursuit, has indicated that it will provide an opinion to the board that the proposed transaction is fair, from a financial point of view, to the shareholders of Pursuit.

Pursuit's board of directors will recommend that Pursuit's shareholders accept the Offer. The total value of the Offer is approximately \$114.5 million, including the assumption of about \$35 million of Pursuit's debt.

EnerMark is expected to mail its formal take-over bid circular to the Pursuit shareholders in early March and is required under the Pre-Acquisition Agreement to mail the circular no later than March 16, 2000. The Pre-Acquisition Agreement provides for the payment of a non-completion fee of \$3 million by Pursuit

to EnerMark in certain circumstances including in the event that the take-over is not completed as a result of a superior competing offer. The Offer will be subject to a number of conditions, including acceptance of the Offer by at least 66 2/3% of the shareholders of Pursuit, as well as obtaining all necessary regulatory approvals.

Certain major shareholders, directors and officers of Pursuit have entered into lock-up agreements with EnerMark with respect to approximately 19% of the outstanding common shares of Pursuit confirming their support for the proposed transaction. Pursuit has also agreed to discontinue its efforts to seek and consider strategic alternatives and to close its data room. Upon completion of the proposed transaction, a representative of Pursuit will join the Board of Trustees of EnerMark.

The common shares of Pursuit trade on The Toronto Stock Exchange under the symbol "PUT". The Units of EnerMark trade on The Toronto Stock Exchange under the symbol "EIF.un".

6. Reliance on Section 118(2) of the *Securities Act* (Alberta) and Section 75(3) of the *Securities Act* (Ontario):

Not applicable.

7. Omitted Information

Not applicable.

8. Senior Officers:

For further information, contact the following officer:

Mr. D. Nolan Blades
President and Chief Executive Officer

Telephone: (403) 264-6256

Fax: (403) 263-3116

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

DATED at the City of Calgary, in the Province of Alberta, this 17th day of February, 2000.

PURSUIT RESOURCES CORP.

Per: *"Harley Winger"* _____

Secretary