MATERIAL CHANGE REPORT

1. **Reporting Issuer:**

   Bolt Energy Ltd. ("Bolt")
   1601, 840 - 7th Avenue S.W.
   Calgary, Alberta
   T2P 3G2

2. **Date of Material Change:**

   December 18, 2000.

3. **Publication of Material Change:**

   December 18, 2000, via Canada News Wire.

4. **Summary of Material Change:**

   Bolt announced it has filed with the Canadian Venture Exchange, a Notice of Intention to Make a Normal Course Issuer Bid.

5. **Full Description of Material Change:**

   Bolt may purchase, subject to the price at which the shares are available, the maximum allowable of ten percent of its public float of Common Shares. The public float of Bolt, calculated in accordance with the Rules of the Canadian Venture Exchange, is 7,655,000 Common Shares. Therefore, Bolt may purchase up to 765,500 Common Shares in the next twelve months. Pursuant to the Rules of the Canadian Venture Exchange the maximum number of Common Shares which may be purchased in any thirty day period is 218,250, two percent of the presently issued and outstanding 10,912,500 Common Shares.

   All purchases of Common Shares by Bolt will be effected through the facilities of the Canadian Venture Exchange. The purchases and payment for the Common Shares will be made by Bolt in accordance with the by-laws and rules of the Canadian Venture Exchange. The price that Bolt will pay for any Common Shares acquired by it will be the market price of the Common Shares at the time of acquisition. No purchases of Common Shares will be made by Bolt other than by means of open market transactions during the period this normal course issuer bid is outstanding.

   At the present time Bolt does not intend to purchase Common Shares at a price in excess of $1.25 per Common Share, however, Bolt may in the future determine to pay in excess of $1.25 per Common Share if market conditions or the underlying value of Bolt's shares change.

   The directors of Bolt believe the underlying value of the Common Shares is not reflected in current market prices. The directors have thus concluded that the purchase of Common Shares under this normal course issuer bid is an appropriate use of Bolt's funds and is in the best interests of Bolt. The normal course issuer bid will increase the proportionate share interest in Bolt of those shareholders who retain their Common Shares. All Common Shares purchased by Bolt will be restored to the status of authorized but unissued shares, thereby increasing the respective proportionate share interest of all remaining shareholders on a pro rata basis. The normal course issuer bid also affords an increased degree of liquidity to those of Bolt's shareholders who elect to dispose of their Common Shares.

Yorkton Securities Inc. has been retained by Bolt to conduct this normal course issuer bid.

6. **Reliance of Filing Provision:**

Not applicable.

7. **Omitted Information:**

Not Applicable.

8. **Senior Officer:**

Raymond Chiarastella
President
Bolt Energy Ltd.
1601, 840 - 7th Avenue S.W.
Calgary, Alberta
T2P 3G2
(403) 262-4316

9. **Statement of Senior Officer:**

The forgoing accurately discloses the material change referred to herein.

DATED at Calgary, Alberta on the 28th day of December, 2000.

BOLT ENERGY LTD.

Signed: *"Jeffrey E. Dyck"*

Jeffrey E. Dyck, Secretary