

FORM 27

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER
SECTION 85(1) OF THE SECURITIES ACT AND
SECTION 151 OF THE SECURITIES RULES (BRITISH COLUMBIA),
SECTION 118(1) OF THE SECURITIES ACT (ALBERTA), AND
SECTION 97.1 OF THE SECURITIES REGULATION (SASKATCHEWAN)

ITEM 1. REPORTING ISSUER

Hilton Petroleum Ltd.
Suite 1305, 1090 West Georgia Street
Vancouver, British Columbia
V6E 3V7

ITEM 2. DATE OF MATERIAL CHANGE

August 3, 2000

ITEM 3. PRESS RELEASE

August 15, 2000 - Vancouver, British Columbia

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company has successfully completed the Rights Offering to shareholders pursuant to the Rights Offering Circular dated June 15, 2000.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

On August 3, 2000, the Company completed the Rights Offering to shareholders pursuant to the Company's Rights Offering Circular dated June 15, 2000.

Under the terms of the Rights Offering, shareholders of record on June 29, 2000 received rights to subscribe for units of the Issuer. Seven rights and \$2.25 was required to subscribe for one unit (the "Unit"). Each Unit consisted of one common share and one transferable share purchase warrant (the "Warrant"). Two Warrants entitles the holder to purchase one additional common share at a price of \$2.50 per common share until July 27, 2001 and at a price of \$2.75 per common share until July 27, 2002.

As of the Offering Expiry Date, shareholders had exercised their rights to acquire a total of 487,897 Units. Pursuant to the Rights Offering Agency Agreement and Guarantee Standby Agreement between the Company and Canaccord Capital Corporation ("Canaccord"), Canaccord purchased 1,512,103 Units to ensure a minimum subscription of 2,000,000 Units. In consideration for the guarantee, the guarantor will receive non-transferable share purchase warrants entitling them to purchase up to 200,000 shares of the Company at a price of \$2.50 per share until August 3, 2001 and at a price of \$2.75 per share until August 3, 2002.

The Rights Offering resulted in gross proceeds to the Company of \$4,500,000. As disclosed in the Rights Offering Circular, these proceeds will be used for the Company's exploration programs, general purposes and to pay the expenses of the Offering.

ITEM 6. RELIANCE ON SECTION 75(3) OF THE SECURITIES ACT (ONTARIO) AND EQUIVALENT SECTIONS OF OTHER JURISDICTIONS

Not applicable.

ITEM 7. OMITTED INFORMATION

Not applicable.

ITEM 8. SENIOR OFFICERS

Name:	Harvey Lim
Title:	Secretary
Phone No.:	(604) 685-9316

ITEM 9. STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

August 15, 2000
Date

Per: "Harvey Lim"
Signature

Harvey Lim
Name of Officer

Secretary
Title of Officer

Vancouver, British Columbia
Place

HILTON PETROLEUM LTD.

**#1305 - 1090 West Georgia Street
Vancouver, BC V6E 3V7
Tel: (604) 685-9316 Fax: (604) 683-1585
CDNX SYMBOL: HTP.V
Web Site: www.hiltonpetroleum.com**

NEWS RELEASE

AUGUST 15, 2000

The Company's rights offering closed on August 3, 2000 and 2,000,000 units were issued to raise net proceeds of \$4,234,605. Each unit consists of a share and a share purchase warrant. Two share purchase warrants will entitle the holder to purchase one common share for a period of two years at a price of \$2.50 in the first year and \$2.75 in the second year. Subject to receipt of the necessary regulatory approvals, the share purchase warrants will be listed for trading on the Canadian Venture Exchange.

ON BEHALF OF THE BOARD

"Nick DeMare"

Nick DeMare, Director