FORM 53-102F3
MATERIAL CHANGE REPORT

ITEM 1. NAME AND ADDRESS OF COMPANY

Pennant Energy Inc.
Suite 2833
595 Burrard Street
Bentall Three, PO Box 49057
Vancouver, BC
V7X 1C4
Telephone: 604 689 1799
Fax: 604 689 8199
(the "Issuer")

ITEM 2. DATE OF MATERIAL CHANGE

September 20, 2005

ITEM 3. NEWS RELEASE

September 20, 2005 - Vancouver, BC

ITEM 4. SUMMARY OF MATERIAL CHANGE

Pennant Energy Inc. ("TSX Venture Exchange – PEN") ("PEN") is pleased to announce it will participate in the drilling of two Lodgepole/Bakken formation oil wells in the Daly field, Manitoba. The operator, Rideau Petroleums Ltd. has informed the Company the wells will be drilled and completed in late September and early October. The two wells are part of an eight well drilling program announced by the Company in early 2004. To date, five out of the optioned eight wells have been drilled and are producing. Participation calls for the Company to pay 25% of the costs to drill and complete each well to earn a 22.0% working interest before payout reverting to 15.0% after payout. The initial five wells have been producing oil since the fall of 2004 and during July 2005 the combined gross rate from the wells was approximately 65 barrels of oil per day. The Company continues to evaluate further development opportunities in the Daly field area.

At Meekwap, the 9-29-66-15W5 well is currently producing at approximately 100 bopd. The construction of the solution gas gathering line has been hampered by poor weather, however completion is expected by September 21, 2005. Pennant holds a reversionary working interest in the 9-29 well and 160 acre spacing unit of 8% before payout (BPO) reverting to 4% after payout (APO) subject to BPO gross overriding royalties payable to the Farmor and a 3% working interest in the balance of the lands. With the acquisition of additional lands in the area announced in our July 5, 2005 press release, Pennant has earned the right to participate in up to 7 additional drill locations.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

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ITEM 6. RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102

N/A

ITEM 7. OMITTED INFORMATION

N/A

ITEM 8. EXECUTIVE OFFICER

To obtain further information contact Mr. Thomas Yingling, the President and a Director of the Issuer, at (604) 689 1799.

Dated at Vancouver, BC, this 20th day of September, 2005.

:signed

PATRICK POWER, DIRECTOR