FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. **Name and Address of Company**

Centurion Energy International Inc. (the "**Corporation**")
800, 205 - 5th Avenue SW
Calgary, Alberta T2P 2V7

Item 2. **Date of Material Change**

August 25, 2004

Item 3. **News Release**

A press release was disseminated on August 25, 2004

Item 4. **Summary of Material Change**

The Corporation announces that, further to its press release of 11 August 2004 announcing a UK private placement, 1,515,151 new common shares (the "UK Shares") have been placed with UK investors by Williams de Broë Plc at a price of CDN $3.30 each, resulting in gross proceeds to the Corporation of approximately CDN $5 million.

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

The Corporation announces that, further to its press release of 11 August 2004 announcing a UK private placement, 1,515,151 new common shares (the "UK Shares") have been placed with UK investors by Williams de Broë Plc at a price of CDN $3.30 each, resulting in gross proceeds to the Corporation of approximately CDN $5.0 million.

Centurion is a Calgary-based oil and gas exploration and development company engaged in the exploration, development and production of oil and natural gas in Tunisia and Egypt.

Due to Canadian resale restrictions, the UK Shares referenced above cannot be sold or traded in Canada over the facilities of the Toronto Stock Exchange or otherwise or for the benefit of a resident of Canada for a period of four months and one day from the date of issuance. In order to distinguish the UK Shares from the Corporation's existing common shares during this restricted period, the UK Shares will have the ISIN 'CA 1559052016' and will trade on the Alternative Investment Market of London Stock Exchange plc ("AIM") under the symbol 'CUXa'.

The Corporation's existing common shares, which have the ISIN 'CA 1559051026' and trade under the symbol 'CUX', carry no such restrictions. Following the end of the restricted period of four months and one day referred to above, the UK Shares will assume the ISIN 'CA 1559051026', will trade under the symbol 'CUX', and there will be no re-sale restrictions in Canada.

The UK Shares to be issued pursuant to the private placement will, when issued and fully paid, rank pari passu in all respects with the existing common shares of Centurion, save in respect of the Canadian resale restrictions described above.

Application will be made for the UK Shares to be admitted to trading on AIM. Such admission is expected to become effective and dealings (subject to the restrictions on resale described above) to commence in the UK Shares on 27 August 2004. Centurion has received listing approval for the listing of the UK Shares on the Toronto Stock Exchange, to commence following the expiry of the restricted period referenced above.

Item 6. **Reliance on Section 7.1(2) or (3) of National Instrument 51-102**

Not Applicable

Item 7. **Omitted Information**

Not Applicable

Item 8. **Executive Officer**

The name and business number of the executive officer of the Corporation who is knowledgeable about the material change and this report is:

> Barry W. Swan, Vice-President and Chief Financial Officer at the above mentioned address or at (403) 263-6002

Item 9. **Date of Report**

August 25, 2004