

CENTURION ENERGY INTERNATIONAL INC.

**MATERIAL CHANGE REPORT
Form 51-102F3**

Item 1 Reporting Issuer

Centurion Energy International Inc.
1700 205 5th Avenue S.W.
Calgary, Alberta T2P 2V7

Item 2 Date of Material Change

The material change occurred on August 16, 2006.

Item 3 News Release

Centurion Energy International Inc. ("Centurion" or the "Corporation") issued a press release on August 16, 2006, through CNN Matthews.

Item 4 Summary of Material Change

Centurion Energy International Inc. announced that it had made changes to its Board of Directors on August 16, 2006. Mr. Michael Miller and Mr. Derrick Armstrong have resigned as directors and Mr. Carmine Falcone of Houston, Texas and Mr. Joe Darby of London, England have been appointed as directors. Mr. Armstrong remains as secretary of the Corporation.

Item 5 Full Description of Material Change

Centurion Energy International Inc. announced that it had made changes to its Board of Directors on August 16, 2006. Mr. Michael Miller and Mr. Derrick Armstrong have resigned as directors and Mr. Carmine Falcone of Houston, Texas and Mr. Joe Darby of London, England have been appointed as directors. Mr. Armstrong remains as secretary of the Corporation.

Mr. Falcone retired from Shell Group of Companies in 2004 after a 36 year career with Shell, primarily in the downstream sector. His positions included Executive Vice President of Oil Products for Shell Canada, Head of Strategy Division (Global Manufacturing) in The Hague, Director of Strategic Planning for Global Oil Products for Shell International in London, Vice President of Refining for Equilon in Houston, Texas and Vice President of Manufacturing and Supply for Shell Oil Products U.S.A. Mr. Falcone is currently the Chairman of the Board for Gotar Technologies, a specialty chemicals producer in Quebec and a Board member for The Plaza Group, a chemicals marketer in Houston. He formerly held Board positions with several Shell subsidiaries, including Shell Canada and a Shell Saudia Arabia JV.

Joe Darby is a petroleum engineer by background with 37 years of international oil and gas industry experience in the UK, North and South America, North Africa, the Middle East and Indonesia. He has worked for major companies, Amoco and Shell, as well as the Thomson Corporation and the independent oil company Lasmo, where he was Chief Executive Officer prior to its acquisition by Eni in 2001. He is currently non-executive

Chairman of Faroe Petroleum plc, an independent exploration company with activities in the UK, Norway and offshore the Faroe Islands. He is also senior non-executive director of British Nuclear Fuels plc, the UK Government owned nuclear service company where he chairs the remuneration and health, safety and environmental committees.

Concurrent with the addition of these two new directors, Centurion announces the resignation of Michael Miller and Derrick Armstrong as directors. Mr. Miller has been a director with Centurion since its inception, and is retiring from Centurion's Board to be able to spend more time on his personal business and charitable endeavors. Mr. Armstrong has been a director since 1998 and is a senior partner of Borden Ladner Gervais LLP, Centurion's legal counsel. Mr. Armstrong is considered to be non-independent, and is resigning as a director to increase the plurality of independent Board members. Mr. Armstrong will remain as Secretary of the Corporation. With these changes, the Corporation will now have a majority of its directors considered to be unrelated and independent. The independent directors are incumbent Board members Gary Awad and Rob Cook, and the new directors, Carmine Falcone and Joe Darby. Barry Swan, who retired as Centurion's CFO at the end of June, 2006, also remains as a director.

As previously announced, in May, 2006, Mr. David Thomas has joined Centurion's executive management team as President and Chief Operating Officer. More recently, in August, 2006, Mr. Greg Renwick has joined Centurion as Vice President, New Business Development. Mr. Renwick began his career with Mobil Oil, where he held various technical and senior management positions including General Manager for Turkmenistan and Business Development Manager for S.E. Asia and the former Soviet Union. Before joining Centurion, Mr. Renwick advised the Kuwait Foreign Petroleum Exploration Corporation on its worldwide business development activities.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, please contact Mr. Said S. Arrata, President and Chief Executive Officer of the Corporation, or Mr. Paul McDougall, VP Finance of the Corporation, at the above mentioned address or at (403) 263-6002.

Item 9 Date of Report

This report is dated the 28th day of August, 2006