This is the form of a material change report required under section 85 (1) of the Securities Act and section 151 of the Securities Rules

BC FORM 53-901F
(Previously Form 27)

Securities Act

Material Change Report

Item 1: Reporting Issuer

International PetroReal Oil Corporation, Suite 1750 – 1177 West Hastings St., Vancouver, BC, V6E 2K3.

Item 2: Date of Material Change

December 15, 2003

Item 3: Press Release

December 15, 2003

Item 4: Summary of Material Change

The Company agrees to terms on debt financing for the acquisition of the West Bay Oil and Gas Field located in the Gulf of Mexico, offshore Louisiana.

Item 5: Full Description of Material Change

The Company has agreed to terms on its debt-financing for the acquisition of the West Bay Oil and Gas Field (the "Property") located in the Gulf of Mexico, offshore Louisiana.

Today the Company has accepted a debt-financing proposal for US$12.5 million. The loan will fully amortize over a three-year initial term after which a credit facility of US$6.5 million will remain available to the Company. The average interest rate on the loan is tied to LIBOR (London Inter Bank Overnight Rate) and would currently be less than 5.6%. The loan is secured against the Property. There is no equity component or conversion right with the debt-facility.

In addition to the senior loan, the Company has also accepted from the lenders, a credit facility of US$2 million for field development work.

The lead bank, Whitney National Bank of New Orleans, Louisiana, will also make available to the Company Letters of Credit for up to US$1 million for operational and abandonment guarantees.

PetroReal is working to complete the transaction in January, 2004 and is extremely pleased with the progress that has been made on the acquisition of the Property.

Item 6: Reliance on Section 85 (2) of the Act

N/A

Item 7: Omitted Information

N/A

Item 8: Senior Officers

Karl Rollke – President, CEO
Keiko Mizuno – Secretary
Duan Nelson - Chairman
Peter Wilson – VP Investor Relations

Item 9: Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at the City of Vancouver, British Columbia this 15th day of December, 2003.

"Karl Rollke"

Per: Karl Rollke
President

N E W S   R E L E A S E
Date: December 15, 2003

12g3-2(b) Exemption No.: 82-3206
TSX-V Trading Symbol: IOC

INTERNATIONAL PETROREAL OIL CORPORATION

Suite 1750, 1177 West Hastings Street
Vancouver, BC
V6E 2K3
Telephone Number: (604) 683-2220
Fascimile Number: (604) 683-2286

International PetroReal Oil Corporation (TSX-V: IOC; the "Company") has agreed to terms on its debt-financing for the acquisition of the West Bay Oil and Gas Field (the "Property") located in the Gulf of Mexico, offshore Louisiana.

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INTERNATIONAL PETROREAL OIL CORPORATION

"Karl Rollke"

Per: Karl Rollke
President