

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**

SIERRA GEOTHERMAL POWER CORP., #304-850 Burrard Street, Vancouver, BC, V6Z 2J1  
Tel: 1-800-563-5631/604-683-0332

**Item 2: Date of Material Change**

November 27, 2006

**Item 3: Press Release**

November 27, 2006

**Item 4: Summary of Material Change**

Sierra Geothermal Power Corp. ("Sierra") announces the closing of a non-brokered private placement and the acquisition of shares of Cayley Geothermal Corp.

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

**Daniel G. McGee, Director of Sierra Geothermal Power Corp.** ("Sierra") is pleased to announce that Sierra has now concurrently closed the private placement announced in its news release August 29, 2006 with the acquisition of 50.76% of the issued and outstanding shares of Cayley Geothermal Corp. ("Cayley").

Pursuant to the Private Placement, 16,893,542 Units were sold providing Sierra with net proceeds of \$5,068,063. Units placed in the placement were issued subject to a hold period expiring March 22, 2007.

Each unit consists of one share and one share purchase warrant exercisable on a one for one basis at a price of \$0.40 for each additional share purchased in the first year and at a price of \$0.50 for each share purchased in the second year from the date of the placement.

As consideration for Sierra's acquisition of 50.76% of the issued and outstanding shares of Cayley, Sierra has issued 8,779,453 shares to the shareholders of Cayley. As part of the acquisition, Sierra has received the right to purchase, upon the fulfillment of certain conditions, the balance of the shares of Cayley in exchange for 9,220,548 shares of Sierra due to be issued in three installments of 3,000,000, 3,000,000 and 3,220,548 the first installment to be issued annually commencing November 21, 2007.

The shares issued to the selling shareholders of Cayley were also issued subject to a hold period expiring March 22, 2007.

Concurrently with the closing, Gary Thompson, P.Geo. and Joel Ronne, P.Eng., have been appointed to the Board of Directors of Sierra and Ed Muir and Judy Pullman have resigned from the Board of Directors of Sierra. Daniel McGee and Ed Muir have been appointed to the Board of Directors of Cayley as Sierra's representative and Judy Pullman will continue as Corporate Secretary of Sierra.

In addition, Daniel McGee has been appointed Chairman of the Board, Gary Thompson has been appointed President and Joel Ronne has been appointed Vice-President of Operations.

Cayley holds an interest in 14 geothermal prospects located in the State of Nevada. A technical evaluation on two of the most advanced prospects, being the Reese River and Silver Peak prospects, have been filed on [www.sedar.com](http://www.sedar.com) under the Company's profile. The proceeds from the private placement will be used by Sierra to advance its geothermal portfolio of properties including the Pumpnickel prospect previously being developed by Sierra and for general working capital.

For further information please contact Daniel G. McGee at (604) 683-0332.

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

N/A

**Item 7: Omitted Information**

N/A

**Item 8: Senior Officers**

Gary R. Thompson - President  
Judy Pullman – Secretary

**Item 9: Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED at the City of Vancouver, British Columbia the 27<sup>th</sup> day of November, 2006.

"Daniel G. McGee"

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Daniel G. McGee, Director