

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

**Filed pursuant to:** National Instrument 51-102  
Section 85 (1) of the *Securities Act* (British Columbia)  
Section 146 (1) of the *Securities Act* (Alberta)  
Section 75(2) of the *Securities Act* (Ontario)

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

PACIFIC ENERGY RESOURCES LTD.  
111 West Ocean Boulevard  
Suite 1240  
Long Beach, California  
90802  
Telephone: (562) 436-6566

**Item 2. Date of Material Change**

January 16, 2008

**Item 3. News Release**

A News Release dated and issued January 10, 2008 at Long Beach, California, through Canada Stockwatch, Market News and SEDAR.

**Item 4. Summary of Material Change**

See news release, a copy of which is attached hereto.

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

See news release, a copy of which is attached hereto.

**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**

Darren Katic, President  
Telephone: (562) 436-6566

**Item 9. Date of Report**

January 16, 2008

SIGNED:

“P.C. Devlin”

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P.C. Devlin

**NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES  
OR FOR DISSEMINATION IN THE UNITED STATES.**

**PACIFIC ENERGY RESOURCES LTD.**

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Long Beach, California 90802  
Telephone: (562) 628-1526; Fax: (562) 628-1536

**NEWS RELEASE**

**PACIFIC ENERGY RESOURCES LTD. ANNOUNCES  
INCENTIVE WARRANT FINANCING**

**Long Beach, California, January 10, 2008 – Pacific Energy Resources Ltd. (TSX: PFE)** (the “Corporation”) announces that further to its news release of December 19, 2007, the Corporation has revised its incentive warrant financing (the “Offering”) pursuant to which it is offering to issue one share of common stock and one new incentive warrant (the “Incentive Warrants”) for every existing Initial Warrant so as to extend the offering period to 4:00 p.m. (Pacific Time) on January 18, 2008 (the “Offering Closing Time”). The extension of the offering period is subject to stockholder approval as set out in more detail below, which approval has been obtained.

The “Initial Warrants” consist of all outstanding subscriber stock purchase warrants of the Corporation with expiration dates of November 15, 2009, November 30, 2009, December 28, 2009 and January 25, 2010, which Initial Warrants are exercisable at a price of CAD\$1.70 per share. The Initial Warrants are not listed for trading on the TSX. There are currently 35,086,199 Initial Warrants outstanding.

The Incentive Warrants will be exercisable into shares of common stock of the Corporation at a price of CAD \$2.50 per share and will expire on January 18, 2013. The Incentive Warrants will not be listed for trading on the TSX.

If the Corporation completes a subsequent equity offering during the 18 months following the Offering Closing Time (the “Adjustment Period”) at a subscription price below CAD\$1.70, holders of an Initial Warrants exercised in the Offering will be entitled to receive a number of additional shares of common stock that, when added to the total number of shares already received upon exercise of an Initial Warrant in the Offering, will equal the number of shares that would have been issued in the Offering if the per share exercise price that had been paid in the Offering had instead been the lowest per share subscription price paid by subscribers in the subsequent equity offering.

If the Corporation completes a subsequent convertible debt offering during the Adjustment Period, where the conversion rate in the debt instrument is below CAD\$1.70 per share, then holders of an Initial Warrant exercised in the Offering will be entitled to receive a number of additional shares of common stock that, when added to the total number of shares already received upon exercise of an Initial Warrant in the Offering, will equal the number of shares that

would have been issued in the Offering if the per share exercise price that had been paid in the Offering had instead been the lowest per share conversion rate of the debt instruments issued to subscribers in the subsequent convertible debt offering.

The additional shares that a holder of an Initial Warrant exercised in the Offering would receive in connection with a subsequent equity offering or convertible debt offering made during the Adjustment Period at a lower price would be based on the lowest per share subscription price or lowest per share conversion rate applicable to any or all subsequent equity offerings or convertible debt offerings made during the Adjustment Period, avoiding duplication. For example, if the Corporation conducted a subsequent equity offering with a per share price of CAD\$1.65, and also conducted a subsequent convertible debt offering with a per share price of CAD\$1.60, whether before, during or after the subsequent equity offering, then the number of additional shares the holder of an Initial Warrant exercised in the Offering ultimately would be entitled to receive would be based on the difference between the CAD\$1.70 price of the Initial Warrant exercised and the CAD\$1.60 price of the subsequent offering. Ultimately, the holder of Initial Warrants will receive a number of shares (inclusive of the shares issued to the holder upon exercise of the Initial Warrant) equal to the aggregate exercise price the holder paid to exercise the Initial Warrants divided by the lowest equity offering price or convertible debt conversion price received by the Corporation in subsequent offerings made during the Adjustment Period.

No fractional shares will be issued under the adjustment provisions described above. Rather, the number of additional shares will be rounded down to the nearest whole share.

The Corporation has agreed to pay to Octagon Capital Corporation and D&D Securities Company a commission or fee of up to an aggregate of 4% of the aggregate proceeds of the Offering.

The proceeds received from the exercise of the Initial Warrants pursuant to the Offering will be used to satisfy in part the Corporation's obligation to raise equity capital and pay down secured debt incurred in connection with the Corporation's acquisition of Alaska assets in August 2007. The Corporation considered a variety of alternative financing proposals in connection with this obligation, but with the current state of the debt and equity markets, has concluded that this Incentive Warrant program provides the quickest, least expensive and least dilutive (to existing stockholders) means for the Corporation to raise capital.

The above incentive warrant proposal is subject to approval by holders of a majority of the outstanding shares of common stock of the Corporation excluding all those stockholders who are Initial Warrant holders from voting. While this transaction would normally require a stockholders meeting to obtain stockholder approval, the Corporation is availing itself of the exemption in 604(d) of the TSX Company Manual to allow it to obtain the written consent of stockholders holding a majority of the shares of the Corporation excluding all stockholders who are Initial Warrant holders. The Corporation has obtained this written stockholder consent. This financing is also subject to final TSX approval. All securities issued with respect to this financing will be subject to resale restrictions as required under applicable U.S. and Canadian securities laws.

Assuming the exercise of all Initial Warrants, the Corporation will issue an aggregate of 35,086,199 shares of common stock, representing 15.8% of the then issued shares of the Corporation (assuming no other share issuances) and 35,086,199 Incentive Warrants.

It is anticipated that there will be one (1) insider of the Corporation participating in the exercise of the Initial Warrants. Assuming all Initial Warrants owned by the insider are exercised, the insider will be issued 12,325,529 shares of common stock, representing 6.2% of the then issued shares of the Corporation (assuming no other Initial Warrants are exercised and that there are no other share issuances), and 12,325,529 Incentive Warrants.

The securities proposed to be offered in the private placement have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

**This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of the securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful.**

*About Pacific Energy Resources Ltd.*

The Corporation is an oil and gas exploration and development company based in Long Beach, California, U.S.A. Additional information relating to the Corporation may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

ON BEHALF OF THE BOARD OF DIRECTORS

**PACIFIC ENERGY RESOURCES LTD.**

*"Darren Katic"*

President

For further information contact:

Boardmarker Group

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Note: This release contains forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results, are based on current expectations or beliefs and include, but are not limited to, statements concerning the timing, terms and amounts of the planned private placement and credit facility. For this purpose, statements of historical fact may be deemed to be forward-looking statements. In addition, forward-looking statements include statements in which the Corporation uses words such as "continue," "efforts," "expect," "believe," "anticipate," "confident," "intend," "strategy," "plan," "will," "estimate," "project," "goal," "target," "prospects," "optimistic" or similar expressions. These statements by their nature involve risks and uncertainties, and actual results may differ materially depending on a variety of important factors, including, among others, the parties' ability to satisfy conditions precedent to the proposed transactions, including without limitation, obtaining regulatory and stockholder approval, the Corporation's ability to meet its obligations under its existing and anticipated contractual obligations, the impact of changes in market conditions and the Corporation's business

environment, including actions of competitors; the occurrence of acts of terrorism or acts of war; changes in governmental laws and regulations, including income and other taxes; and other factors as may be discussed in the documents filed by the Corporation on SEDAR ([www.sedar.com](http://www.sedar.com)), including the most recent reports that identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. The Corporation undertakes no obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.