MATERIAL CHANGE REPORT

1. **Reporting Issuer:**

   Ascot Energy Resources Ltd.
   ("Ascot" or the "Company")
   Suite 1601, 500 - 4th Avenue S.W.
   Calgary, Alberta T2P 2V6

2. **Date of Material Change:**

   August 14, 2001

3. **Publication of Material Change:**

   A press release was issued on August 14, 2001 and disseminated through the facilities of International Teledata Group.

4. **Summary of Material Change:**

   Ascot has announced that it has acquired a shallow gas producing property in southwest Saskatchewan for $21.5 million in conjunction with an industry partner. The acquisition, which is subject to customary due diligence, is effective May 1, 2001 and is expected to close on or about August 31, 2001.

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

   Ascot has announced that is has acquired a shallow gas producing property in southwest Saskatchewan for $21.5 million in conjunction with an industry partner. Ascot will act as the operator of the property and will acquire a 60% working interest in the lands and related royalties. The Company's purchase price, of $12.9 million, will be financed entirely through available credit banking facilities. The acquisition, which is subject to customary due diligence, is effective May 1, 2001 and is expected to close on or about August 31, 2001.

   The property is comprised of 32 wells currently producing 3.3 million cubic feet per day of sales gas. The Company has identified immediate optimization potential through existing non-producing gas wells which will significantly increase current production. The acquisition includes a 100% working interest in approximately 198,000 undeveloped acres with 1,200 kilometres of post 1995 2D seismic coverage. The property also contains an extensive pipeline gathering system together with four compressor/ dehydration facilities with significant unused capacity. Ascot believes there is considerable upside in this multi-zone property in the form of seismically defined Belly River locations, infill and downspacing potential of existing Bearpaw production and geologically defined Second White Specs potential. The property also contains exploration potential in the Upper Shaunavon and Madison formations.

6. **Reliance on Confidential Filing Provision:**

   Not applicable.

7. **Omitted Information:**

Not applicable.

8. **Senior Officer**:

For further information, contact:

Harry Cupric, Chief Financial Officer

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9. **Statement of Senior Officer:**

The foregoing accurately discloses the material change referred to herein.

DATED at Calgary, Alberta, this 16th day of May, 2001.

(signed) "Harry Cupric"
Chief Financial Officer
Ascot Energy Resources Ltd.

cc: The Canadian Venture Stock Exchange