MATERIAL CHANGE REPORT

1. **Reporting Issuer:**

   Endev Energy Inc.
   Suite 2525, 700 - 9th Avenue SW
   Calgary, Alberta T2P 3V4

2. **Date of Material Change:**

   August 26, 2003.

3. **News Release**

   A press release dated August 26, 2003 disclosing in detail the material summarised in this material change report was issued by the Company's counsel on August 26, 2003 and disseminated through the facilities of a recognized news service and would have been received by the securities commissions where the Company is a reporting issuer and the stock exchange on which the securities of the Company are listed and posted for trading in the normal course of its dissemination.

4. **Summary of Material Change:**

   The Company has entered into an agreement with a syndicate of underwriters led by Griffiths McBurney & Partners under which the underwriters have agreed to buy 6,111,111 common shares from the Company and sell the same to the public at a price of $1.80 per common share, for gross proceeds of approximately $11,000,000, subject to a "greenshoe" option, exercisable prior to closing, of up to 2,777,778 common shares at a price of $1.80 per share for further gross proceeds of approximately $5,000,000, which would increase the offering to approximately $16,000,000, if fully exercised.

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

   See the attached press release.

6. **Reliance on Confidentiality Provisions:**

   Not Applicable

7. **Omitted Information:**

   Not Applicable

8. **Senior Officers:**

   For further information, please contact Randy Harrison, President, Endev Energy Inc., Suite 2525, 700 - 9th Avenue SW, Calgary, Alberta T2P 3V4, (403) 750-2600.

9. **Statement of Senior Officer:**

The foregoing accurately discloses the material change referred to in this report.

DATED August 26, 2003.

(signed) *"J.G. (Jeff) Lawson"*
J.G. (Jeff) Lawson
Assistant Secretary

cc: The Toronto Stock Exchange

NEWS RELEASE **August 26, 2003**

Endev Energy Inc. Announces Private Placement Financing

Calgary, Alberta, July 26, 2003 - Endev Energy Inc. ("Endev") (TSX:ENE) is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by Griffiths McBurney & Partners for an underwritten private placement financing of 6,111,111 Common Shares at a price of $1.80 per share, representing gross proceeds of $11 million, subject to an over-allotment option of an additional 2,777,778 common shares at a price of $1.80 per share for further gross proceeds of approximately $5 million, which would increase the offering to approximately $16 million, if fully exercised. The Common Shares issued will be subject to a four month hold period.

The offering is subject to regulatory approval, including approval of the Toronto Stock Exchange. Endev will use the net proceeds of the offering for continued growth and development in the Company's shallow gas programs in the Eyremore and Majorville areas of Southern Alberta.

The securities offered hereby 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 nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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

The Toronto Stock Exchange has neither approved nor disapproved of the contents of this release.

For further information:

Endev Energy Inc.

Attention: Mr. Randy Harrison,
President and COO

or

Dennis J. Kwan, C.A.
Controller

Telephone: (403) 750-2600
1-800-750-2677

Forward Looking Statements

Certain information regarding Endev Energy Inc. set forth in this document, including management's assessment of the Company's future plans and operations contains forward looking statements that involve substantial known and unknown risks and uncertainties. These forward looking statements are subject to numerous risks and uncertainties, some of which are beyond the Company's and management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, imperfection of reserve estimates, environmental risks, industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. Endev Energy's actual results, performance or achievement could differ materially from those expressed in or implied by, these forward looking statements and accordingly, no assurance can be given that any of the events anticipated to occur or transpire from the forward looking statements will provide what, if any benefits to Endev Energy Inc.