

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 53-901(F)
(Previously Form 27)

SECURITIES ACT

MATERIAL CHANGE REPORT

NOTE: This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

NOTE: If this report is filed on a confidential basis, put at the beginning of the report in block capitals "CONFIDENTIAL – SECTION 85", and file in an envelope marked "Confidential – Attention: Supervisor, Financial Reporting".

Item 1 **REPORTING ISSUER**

First Echelon Ventures
14th Floor – 400 Burrard Street
Vancouver, B.C. V6C 3G2

Item 2 **DATE OF MATERIAL CHANGE**

August 16, 2002

Item 3 **PRESS RELEASE**

Pursuant to Section 85(1) of the Act a press release was issued on August 16, 2002 and distributed through Vancouver Stockwatch and Market News. The press release was filed with the TSX Venture Exchange, the British Columbia Securities Commission and Alberta Securities Commission via SEDAR.

Item 4 **SUMMARY OF MATERIAL CHANGE**

The Company appoints Raincity Capital for Investor Relations.

Item 5 FULL DESCRIPTION OF MATERIAL CHANGE

First Echelon Ventures is pleased to announce that it has, subject to approval by the TSX Venture Exchange, entered into an agreement with RainCity Capital Inc. of Vancouver to provide investor relations services. First Echelon's agreement with RainCity Capital Inc., is for a six-month term, and provides services for a monthly fee of \$10,000. Raincity Capital Inc. will be communicating with investment dealers, advisors and shareholders both current and prospective to increase awareness and interest in First Echelon as it continues development of the Morton Oilfield Low Temperature Oxidation project.

Chris Bogart, President of RainCity Capital has conducted investor relations programs for a variety of Canadian-listed companies.

Item 6 RELIANCE OF SECTION 85(2) OF THE ACT

N/A

Item 7 OMITTED INFORMATION

There has been no information omitted.

Item 8 SENIOR OFFICERS

To obtain further information, contact Stephen Stanley, President at (604) 643-1722.

Item 9 STATEMENT OF SENIOR OFFICER

The foregoing accurately discloses the material change referred to herein.

DATED at Vancouver, this 26th day of August, 2002.

Signature: "Stephen Stanley"

Name: STEPHEN STANLEY

Title: PRESIDENT
 (must be a senior officer)