FORM 27

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 75(2) OF THE ACT

ITEM 1. **REPORTING ISSUER**

Naftex Energy Corporation (the "Company")
Suite 308
1140 Homer Street
Vancouver, B.C., V6B 2X6

ITEM 2. **DATE OF MATERIAL CHANGE**

December 31, 2001

ITEM 3. **PRESS RELEASE**

Issued on January 3, 2002 and distributed through the facilities of Canada News Wire and Canadian Venture Exchange.

ITEM 4. **SUMMARY OF MATERIAL CHANGE**

The Company and its wholly-owned subsidiary, Coplex Brazil, have entered into financing arrangements to fund their share of the cost of the exploration of the BS-3 licence and the development of the Coral and Estrela do Mar fields in the Santos Basin offshore Southern Brazil (the “Project”), in which Coplex Brazil has a 27.5% participating interest.

Together with one of its joint venture partners in the Project, Coplex Brazil has established a special purpose company called BS-3 S.A. (“BS-3”). Coplex Brazil’s share of BS-3 is 47.83%.

BS-3 in turn has entered into loan agreements with Unibanco – Uniao de Bancos Brasileiros S.A. (“Unibanco”) pursuant to which Unibanco is initially providing a USD 28 million bridge loan (the “Bridge Loan”) to BS-3. The loan is being secured by a pledge of the shares of BS-3 and of Coplex Brazil as well as a pledge of the oil production and cash flow from the Coral and Estrela do Mar fields. In addition, Northern Oil ASA (“Northern”), the holder of approximately 87.9% of the shares of Naftex, has provided a parent company guarantee to Unibanco. The Bridge Loan bears interest at Unibanco’s cost of funds plus 2%. The term of the Bridge Loan is 180 days, renewable, and the loan can be drawn in both USD and Brazilian Reais.

The Company anticipates that the Bridge Loan will be converted into a long-term, non-recourse project loan (the “Project Loan”) approximately 60 days after production start-up. The Project Loan amount of USD 56 million (of which Coplex Brazil’s share is about USD 27 million) will fund Project development costs incurred after production start-up, including Coplex Brazil’s investments in the Estrela do Mar field. The general terms and conditions for the Project Loan are now agreed with Unibanco, including the release of the Northern guarantee upon conversion of the Bridge Loan. The term of the Project Loan is 4 years and will bear interest at Unibanco’s cost of funds plus 1.5%. A definitive agreement for the Project Loan will be negotiated in due course.

The loan arrangements with Unibanco represent the first-ever project financing of this kind in Brazil led by a Brazilian bank.

The Company has also entered into an amended financing agreement with Northern for the purpose of funding, among other things, Coplex Brazil's investments in the Project not covered by loans from Unibanco, as well as the Company's general and administrative costs and expenses. The loans from Northern will be repayable in full no later than March 1, 2004 and will bear interest at LIBOR plus 3%. USD 10 million is currently drawn under this agreement.

The financing agreement with Northern also governs the guarantees given by Northern on behalf of Coplex Brazil and the Company towards Agencia National de Petroleo in Brazil ("ANP") and Unibanco. The Company and Coplex Brazil will each pay an annual fee of USD 50,000 for these guarantees.

In return for these loans and guarantees, the Company is providing Northern with an on-demand parent company guarantee in respect of the indebtedness of Coplex Brazil and is pledging the shares of its wholly-owned subsidiaries, Naftex Energy (Yukon) Limited and Naftex Energy (Whitehorse) Limited, to Northern. These two companies hold all of the shares in Coplex Brazil. The pledge agreement provides that Northern cannot foreclose on the shares of Naftex Energy (Yukon) Limited and Naftex Energy (Whitehorse) Limited.

ITEM 5. **FULL DESCRIPTION OF MATERIAL CHANGE**

See attached News Release issued on January 3, 2002.

ITEM 6. **RELIANCE ON SECTION 75(3) OF THE ACT**

This report is not being filed on a confidential basis.

ITEM 7. **OMITTED INFORMATION**

There are no significant facts required to be disclosed herein which have been omitted.

ITEM 8. **DIRECTOR/SENIOR OFFICER**

Contact: John M. Dahlen, President and Chief Executive Officer
Telephone: 604-689-4498 or 011-47-2201-7530

ITEM 9. **STATEMENT OF SENIOR OFFICER/DIRECTOR**

The foregoing accurately discloses the material change referred to herein.

"John M. Dahlen"
John M. Dahlen,
President and C.E.O.

DATED this 10th day of January, 2002.

NAFTEX ENERGY CORPORATION

Main Office: Suite 308, 1140 Homer Street, Vancouver, B.C., Canada, V6B 2X6
E-mail: ynf@naftex.bc.ca , Telephone: +1-604-689-4498, Facsimile +1-604-684-4473
Representative Office: P,O, Box 1751 – Vika, N-0122 Oslo, Norway
E-mail: john@northernoil.no, Telephone: +47-22-01-75-30, Facsimile: +47-22-01-73-41

NEWS RELEASE

NAFTEX ANNOUNCES FINANCING ARRANGEMENTS
FOR ITS BRAZILIAN PROJECT

Vancouver January 3, 2002 Trading Symbol:**YNF**

NAFTEX ENERGY CORPORATION (the "**Company**" or "**Naftex**") and its wholly-owned subsidiary, Coplex Petroleo do Brasil Limitada ("Coplex Brazil"), are pleased to announce that they have entered into financing arrangements to fund their share of the cost of the exploration of the BS-3 licence and the development of the Coral and Estrela do Mar fields in the Santos Basin offshore Southern Brazil (the "Project"), in which Coplex Brazil has a 27.5% participating interest.

Together with Queiroz Galvao Perfuracoes, one of the three other joint venture partners in the Project, Coplex Brazil has established a special purpose company called BS-3 S.A. ("BS-3"). Coplex Brazil's share of BS-3 is 47.83%.
BS-3 in turn has entered into loan agreements with Unibanco – Uniao de Bancos Brasileiros S.A. ("Unibanco") pursuant to which Unibanco is initially providing a USD 28 million bridge loan (the "Bridge Loan") to BS-3. The loan is being secured by a pledge of the shares of BS-3 and of Coplex Brazil as well as a pledge of the oil production and cash flow from the Coral and Estrela do Mar fields. In addition, Northern Oil ASA ("Northern"), the holder of approximately 87.9% of the shares of Naftex, has provided a parent company guarantee to Unibanco. The Bridge Loan bears interest at Unibanco's cost of funds plus 2%. The term of the Bridge Loan is 180 days, renewable, and the loan can be drawn in both USD and Brazilian Reais.

Coplex Brazil's share of the cost of the Project up to production start-up for the Coral field is budgeted at around USD 29 million, of which Coplex Brazil to date has incurred USD 10 million. Coplex Brazil's share of the Bridge Loan is approximately USD 13.4 million. The Bridge Loan will fund 70% of Coplex Brazil's further investment in the Project until Coplex Brazil has invested a total of USD 11.5 million. Thereafter, the Bridge Loan will fund a minimum of 70% of all further investment by Coplex Brazil up to production start-up, the amount of which will depend on the total amount required for the Project prior to that date. Based on the operator's present budget estimates, the Bridge Loan is expected to fund approximately 80% of these future investments. The Company anticipates that the remainder will be financed through equity contributions.

The Company anticipates that the Bridge Loan will be converted into a long-term, non-recourse project loan (the "Project Loan") approximately 60 days after production start-up. The Project Loan amount of USD 56 million (of which Coplex Brazil's share is about USD 27 million) will fund Project development costs incurred after production start-up, including Coplex Brazil's investments in the Estrela do Mar field. The general terms and conditions for the Project Loan are now agreed with Unibanco, including the release of the Northern guarantee upon conversion of the Bridge Loan. The term of the Project Loan is 4 years and will bear interest at Unibanco's cost of funds plus 1.5%. A definitive agreement for the Project Loan will be negotiated in due course.

Naftex has also entered into an amended financing agreement with Northern for the purpose of funding, among other things, Coplex Brazil's investments in the Project not covered by loans from Unibanco, as well as

Naftex's general and administrative costs and expenses. The loans from Northern will be repayable in full no later than March 1, 2004 and will bear interest at LIBOR plus 3%. USD 10 million is currently drawn under this agreement.

The financing agreement with Northern also governs the guarantees given by Northern on behalf of Coplex Brazil and Naftex towards Agencia National de Petroleo in Brazil ("ANP") and Unibanco. Naftex and Coplex Brazil will each pay an annual fee of USD 50,000 for these guarantees.

In return for these loans and guarantees, Naftex is providing Northern with an on-demand parent company guarantee in respect of the indebtedness of Coplex Brazil and is pledging the shares of its wholly-owned subsidiaries, Naftex Energy (Yukon) Limited and Naftex Energy (Whitehorse) Limited, to Northern. These two companies hold all of the shares in Coplex Brazil. The pledge agreement provides that Northern cannot foreclose on the shares of Naftex Energy (Yukon) Limited and Naftex Energy (Whitehorse) Limited.

John M Dahlen, President and CEO of Naftex said:

> "These financing arrangements represent the achievement of a major milestone for both Naftex and Coplex Brazil in the financing of the Project in Brazil under the present development scenario. Due to a tremendous effort over an extended period by the parties concerned, we have succeeded in implementing what is, by any measure, a complicated and sophisticated project financing package. Moreover, the loan arrangements with Unibanco represent the first-ever project financing of this kind in Brazil led by a Brazilian bank.

The Project is now well under way, with the drilling of production wells and the construction of production and processing equipment. The recent success with the SCS-10 exploration well, leading to the discovery of the Caravela Sul field, has further encouraged the joint venture partners to continue the evaluation of this discovery by conducting a three dimensional seismic survey over the licence as well as initiating plans for further appraisal."

By Order of the Board
NAFTEX ENERGY CORPORATION

"John M. Dahlen"

John M. Dahlen
President and Chief Executive Officer

For further information please contact:
John M. Dahlen, President and C.E.O. of the Company
Phone: +47-2201-7350; Fax: +47-2201-7341; E-mail: john@northernoil.no

This news release may contain certain forward looking statements that reflect current views and/or expectations with respect to Naftex's business and future events. Such statements are subject to a number of risks, uncertainties and assumptions. Actual events and results may vary significantly.