

**Form 51-102F3**  
***Material Change Report***

**PART 1 CONTENT OF MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

State the full name of your company and the address of its principal office in Canada.

Strategic Oil & Gas Ltd.  
PO Box 33893, Station D  
Vancouver, BC V6J 4L6

**Item 2 Date of Material Change**

State the date of the material change.

December 28, 2006

**Item 3 News Release**

State the date and method(s) of dissemination of the news release issued under section 7.1 of National Instrument 51-102.

The press release was issued at Calgary, Alberta by Stockwatch on January 3, 2007.

**Item 4 Summary of Material Change**

The Corporation announced that, it has issued 1,498,200 units at \$1.25 per unit, on a 100% flow-through basis for total gross proceeds of \$1,872,750. The Company paid arms-length finders fees to those who provided assistance with this non-brokered placement in the amount of \$59,797.50. The shares and warrants issued are subject to trading restrictions until April 29, 2007.

**Item 5 Full Description of Material Change**

The Corporation announced that, it has issued 1,498,200 units at \$1.25 per unit, on a 100% flow-through basis for total gross proceeds of \$1,872,750. Each unit consists of one common share and one half of a warrant. Each whole warrant will entitle the holder to subscribe for an additional common share for \$1.60 for 12 months from closing. The Company paid arms-length finders fees to those who provided assistance with this non-brokered placement in the amount of \$59,797.50. The shares and warrants issued are subject to trading restrictions until April 29, 2007.

Funds from this private placement will be used to meet anticipated drilling and completion costs in respect to the Company's 2007 drill program

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

If this Report is being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102, state the reasons for such reliance.

Not Applicable.

*INSTRUCTION*

*Refer to subsections 7.1 (4), (5), (6) and (7) of National Instrument 51-102 concerning continuing obligations in respect of reports filed under subsection 7.1(2) or (3) of National Instrument 51-102.*

**Item 7 Omitted Information**

State whether any information has been omitted on the basis that it is confidential information.

None.

**Item 8 Executive Officer**

Give the name and business telephone number of an executive officer of your company who is knowledgeable about the material change and the Report, or the name of an officer through whom such executive officer may be contacted.

Arn Schoch, President  
(604)421-2420

**Item 9 Date of Report**

January 3, 2007