FORM 27

SECURITIES ACT

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE ACT

ITEM 1. REPORTING ISSUER

Texas Gas & Oil Inc. (the "Company")
4448B Marine Avenue
Powell River, B.C., V8A 2K2

ITEM 2. DATE OF MATERIAL CHANGE

March 5, 2001

ITEM 3. PRESS RELEASE

Issued March 5, 2001 and distributed through the facilities of the Canadian Venture Exchange, Vancouver Stockwatch Magazine, and Market News.

ITEM 4. SUMMARY OF MATERIAL CHANGE

Please see attached news release.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

Please see attached news release.

ITEM 6. RELIANCE ON SECTION 85(2) 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: David J. Formosa, President/Director
Telephone: (604) 485-6080

ITEM 9. STATEMENT OF SENIOR OFFICER/DIRECTOR

The foregoing accurately discloses the material change referred to herein.

"David J. Formosa"
David J. Formosa
President/Director

DATED at Powell River, B.C., this 5th day of March, 2001.

TEXAS GAS & OIL INC.
4448B Marine Avenue
Powell River, British Columbia
V8A 2K2

(604) 485-6080

March 5, 2001

NEWS RELEASE
(CDNX Trading Symbol: TXG)

Texas Gas & Oil Inc. announces that Mark Brecher has resigned as Vice President, Finance.

ON BEHALF OF THE BOARD

"DAVID J. FORMOSA"
DAVID J. FORMOSA
President/Director