

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company

McCoy Corporation
#600, 5241 Calgary Trail NW
Edmonton, AB T6H 5G8

2. Date of Material Change

June 14, 2007

3. News Release

A press release was disseminated on June 14, 2007 via MarketWire

4. Summary of Material Change

The Corporation announced the closing of its short form prospectus offering pursuant to which the Corporation issued and sold 6.95 million common shares at \$5.25 per common share and Foundation Equity Corporation sold 1.9 million common shares at \$5.25 per common share. In addition, the Agents have exercised their option and have sold an additional 695,000 common shares.

5. Full Description of Material Change

The Corporation announced it has closed its short form prospectus public offering led by Paradigm Capital Inc. and including Raymond James Ltd. (collectively, the "Agents"). The Corporation issued and sold 6.95 million common shares at \$5.25 per common share and Foundation Equity Corporation, a major shareholder, sold 1.9 million common shares at \$5.25 per common share. In addition, the Agents have exercised their option and have sold an additional 695,000 common shares.

The size of the total offering is in excess of \$50 million, with the Corporation receiving gross proceeds of approximately \$40 million and Foundation Equity Corporation receiving gross proceeds of approximately \$10 million. As a result of the offering, Foundation Equity Corporation has reduced its ownership position in the Corporation to approximately 42% of the total issued shares.

The Corporation will use the net proceeds of the offering for working capital and to further the Corporation's corporate development plans.

6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102

Not Applicable

7. Omitted Information

Not Applicable

8. **Executive Officer**

The name and business number of the executive officer of McCoy Corporation who is knowledgeable about the material change and this report is:

Jim Rakievich
President and Chief Executive Officer
Telephone: (780) 453-8707

9. **Date of Report**

June 14, 2007