

TECNOPETROL INC.

**MATERIAL CHANGE REPORT
SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)
SECTION 67(1)(b) OF THE SECURITIES ACT (BRITISH COLUMBIA)
SECTION 118(1)(b) OF THE SECURITIES ACT (ALBERTA)**

Item 1. Reporting Issuer

TecnoPetrol Inc.
1 Dundas Street West, Suite 2500
Toronto, Ontario
M5G 1Z3

Item 2. Date of Material Change

August 25, 1999

Item 3. Press Release

A press release was issued in Toronto on August 25, 1999 to the Canadian Dealing Network and various approved public media.

Item 4. Summary of Material Change

TecnoPetrol Inc. announced that it was achieving satisfactory progress on its exploration program in the Middle Magdalena Basin of Colombia. TecnoPetrol Inc. also announced that it had returned to Emerald Energy Plc its 50% interest in the Vuelta Larga Association Contract.

Item 5. Full Description of Material Change

See attached Schedule A, which is incorporated herein, for a full description of material changes.

Item 6. Reliance on Section 75(3) of the Securities Act (Ontario); Section 67(2) of the Securities Act (British Columbia); and Section 118(2) of the Securities Act (Alberta)

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Senior Officer

The following senior officer of TecnoPetrol is knowledgeable about the material change and may be contacted at the following address and telephone number:

Peter Volk
TecnoPetrol Inc.
1 Dundas Street West, Suite 2500
Toronto, Ontario
M5G 1Z3

Tel: (416) 955-4554
Fax: (416) 955-1206

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material changes referred to herein.

DATED at Toronto, this 1st day of September, 1999.

TECNOPETROL INC.

Per: "signed"
Peter Volk, Corporate Secretary

Schedule "A"

TECNOPETROL INC.

SUITE 2500, 1 DUNDAS STREET WEST, TORONTO, ONTARIO M5G 1Z3
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NEWS RELEASE

TECNOPETROL PROVIDES UPDATE ON MIDDLE MAGDALENA EXPLORATION

Wednesday, August 25, 1999

CDN SYMBOL: TPTE.U

TecnoPetrol Inc. today announced that it is continuing to achieve satisfactory progress to date on the exploration efforts by Western Atlas International, Ltd. ("WAIL") on the Company's Middle Magdalena properties, where TecnoPetrol is the operator. An optimized drilling program over the different blocks in the Middle Magdalena is being established by the parties and preliminary exploration work is being performed, with spudding of the first well scheduled for the first quarter of next year. Work is also progressing satisfactorily on the Alejo Association Contract.

Because of the progress of the agreement with WAIL, TecnoPetrol is concentrating its resources on its Middle Magdalena properties and on its Alejo Association Contract, where TecnoPetrol is also the operator. Accordingly, Emerald Energy Plc ("Emerald") and TecnoPetrol have agreed that TecnoPetrol will release to Emerald its 50% interest in the Vuelta Larga Association Contract in Colombia.

In August 1997, TecnoPetrol and Emerald had entered into a Participation Agreement under which TecnoPetrol would earn a 50% interest in the Vuelta Larga Association Contract area by committing up to US\$2,800,000 in exploration expenditures over two years. TecnoPetrol's obligation was supported by a letter of credit for US\$500,000. In addition to returning to Emerald its interest in Vuelta Larga, Emerald will draw down the full amount of the US\$500,000 letter of credit in payment of TecnoPetrol's minimum obligation on Vuelta Larga and in full satisfaction of any liabilities or claims that Emerald might have with respect to TecnoPetrol's termination of the Participation Agreement.

Issued and outstanding shares as of August 25, 1999 are 25,620,418.

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For further information please contact:

Carlos Castillo,
President
- or -
Peter Volk,
Corporate Secretary

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