TRAFINA ENERGY LTD.

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

TRAFINA Energy Ltd.
Suite 688, 505 - 3rd Street S.W.
Calgary, Alberta T2P 3E6

("TRAFINA")

2. Date of Material Change

September 21, 2004

3. News Release

On September 21, 2004, TRAFINA issued a press release through Canada NewsWire disclosing the nature and substance of the material change.

4. Summary of Material Change

TRAFINA has entered into a farmout agreement with Nexen Inc. to develop natural gas from coal (NGC) or coal bed methane (CBM) in the Wetaskiwin area of Alberta. Nexen Inc. will commence a program to drill between 8 and 10 shallow wells to evaluate the Horseshoe Canyon coals, the lower Mannville coals and the conventional hydrocarbon rights prior to March 31, 2005. In addition to this drilling commitment, Nexen Inc. will pay a cash bonus to TRAFINA, to earn a 60% interest in the lands.

5. Full Description of Material Change

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TRAFINA will farm-out 20 (18.8 net) gross sections of land in the Wetaskiwin area of Alberta. In addition, TRAFINA holds interests in 7 (4.3 net) gross sections located in the Wetaskiwin area that are not part of the farm-out agreement and represent potential CBM and conventional well locations. Development drilling on the farm-out lands will likely commence during the second half of 2005. TRAFINA will benefit from the technical expertise of Nexen Inc. who is a recognized leader in the development of CBM in

Alberta. An area of mutual interest has been established covering lands in the adjacent area. After earning, TRAFINA will have a net 40% interest in this program and resulting lands.

CBM is produced by drilling to a depth of 150 to 1300 meters below the surface in the Wetaskiwin area to access all prospective shallow coals, coals and sands. These zones are then perforated and stimulated to gain production. In Alberta, most shallow CBM is sourced from the Horseshoe Canyon formation and has little water associated with the shallow CBM production.

CBM resources in Canada are significant. The National Energy Board estimates Canada has undiscovered potential of 60 to 80 Tcf of natural gas in the form of CBM. The National Energy Board also estimates that CBM could contribute up to 10 percent of Canada's current natural gas production within the next 10 to 20 years. Cumulative gas production from approximately 325 wells in the Horseshoe Canyon-Belly River coals was approximately 4.6 Bcf as at December 2003, according to the Alberta Energy and Utilities Board. In the United States CBM has been a significant source of natural gas production for more than 20 years. In excess of 19,000 CBM wells currently produce over 4 Bcf/d representing 8 percent of the country's domestic natural gas supply.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For further information, please contact Roland T. Valentine, Chairman and Chief Executive Officer, or Terry McCoy, President, at the above mentioned address or by telephone at (403) 263-0800.

DATED: September 30, 2004.