

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

Texalta Petroleum Ltd.
Suite 320, 715 - 5 Avenue SW
Calgary, Alberta
T2P 2X6

2. Date of Material Change: May 31, 2011

3. News Release: May 31, 2011

4. Summary of Material Change:

PetroFrontier Corp. ("**PetroFrontier**") announced that it has closed the previously announced acquisition of Texalta Petroleum Ltd. ("**Texalta**") by PetroFrontier by way of a plan of arrangement pursuant to the provisions of the *Business Corporations Act* (Alberta) (the "**Transaction**"). Pursuant to the Transaction, PetroFrontier issued an aggregate of 15,444,732 common shares of PetroFrontier ("**PFC Shares**") and paid \$10,000,000 in cash consideration on a pro rata basis for the acquisition of all of the issued and outstanding class "A" common shares of Texalta (the "**Texalta Shares**"). PetroFrontier also issued an aggregate of 222,457 PFC Shares to holders of Texalta options in exchange for the cancellation of such options and the 1,500,000 outstanding Texalta warrants were continued/replaced with 675,000 PetroFrontier warrants at an exercise price of \$2.00 per share and otherwise on the same terms and conditions as the Texalta warrants.

5. 5.1 Full Description of Material Change

Please see the press release attached as Schedule "A" hereto.

5.2 Disclosure for Restructuring Transactions

N/A

6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:

N/A

7. Omitted Information:

None

8. Executive Officer Knowledgeable of Material Change:

Shane Kozak, Vice-President Finance and Chief Financial Officer

9. Date of Report:

June 1, 2011

SCHEDULE "A"**FOR IMMEDIATE RELEASE****PETROFRONTIER CORP. AND TEXALTA PETROLEUM LTD. COMPLETE BUSINESS COMBINATION****Tuesday, May 31, 2011****THIS NEWS RELEASE IS NOT FOR DISSEMINATION IN THE UNITED STATES OR TO ANY UNITED STATES NEWS SERVICES.**

PetroFrontier Corp. ("**PetroFrontier**") (TSX Venture: PFC) and Texalta Petroleum Ltd. ("**Texalta**") (TSX Venture: TEX.A) and are pleased to announce that they have closed the previously announced acquisition of Texalta by PetroFrontier by way of a plan of arrangement pursuant to the provisions of the *Business Corporations Act* (Alberta) (the "**Transaction**"). Pursuant to the Transaction, PetroFrontier issued an aggregate of 15,444,732 common shares of PetroFrontier ("**PFC Shares**") and paid \$10,000,000 in cash consideration on a *pro rata* basis for the acquisition of all of the issued and outstanding class "A" common shares of Texalta (the "**Texalta Shares**"). PetroFrontier also issued an aggregate of 222,457 PFC Shares to holders of Texalta options in exchange for the cancellation of such options and the 1,500,000 outstanding Texalta warrants were continued/replaced with 675,000 PetroFrontier warrants at an exercise price of \$2.00 per share and otherwise on the same terms and conditions as the Texalta warrants.

After completion of the Transaction, there are 63,483,156 PFC Shares issued and outstanding on a non-diluted basis.

The Transaction has been conditionally accepted by the TSX Venture Exchange Inc. ("**TSX Venture**"). Final acceptance of the TSX Venture is subject to the satisfaction of a number of usual conditions. In connection with closing of the Transaction, Texalta has applied to delist the Texalta Shares from the TSX Venture and will make an application under applicable securities laws for Texalta to cease to be a reporting issuer in the applicable provinces of Canada.

About PetroFrontier

PetroFrontier is an international oil and gas company engaged in the exploration, acquisition and development of both conventional and unconventional onshore petroleum assets in Australia's Southern Georgina Basin. Founded in 2009, PetroFrontier is one of the first companies to undertake onshore exploration in the Southern Georgina Basin in Australia's Northern Territory. PetroFrontier's head office is based in Calgary, Alberta and operations office is in Adelaide, South Australia.

About Texalta

Texalta is a Calgary based company engaged in the exploration, acquisition and development of prospective oil & gas properties in Saskatchewan and Alberta, Canada. Texalta's wholly owned subsidiary, Texalta Australia Pty. Ltd. holds a 50 percent working interest in EP 103 and EP 104, covering 5.7 million gross acres of prospective land in the Southern Georgina Basin, Northern Territory, Australia.

Forward-Looking Statements

This press release contains forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of PetroFrontier and Texalta, including, without limitation, statements pertaining to the approval of the TSX Venture, the delisting of the Texalta Shares and the application to cease to be a reporting issuer by Texalta. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking information. Accordingly, prospective investors should not place undue reliance on these forward-looking statements. A description of assumptions used to develop such forward-looking information and a description of risk factors that

may cause actual results to differ materially from forward-looking information can be found in PetroFrontier's and Texalta's disclosure documents on the SEDAR website at www.sedar.com and in the information circular dated May 2, 2011 in connection with the Transaction. Any forward-looking statements are made as of the date of this release and, other than as required by applicable securities laws, neither PetroFrontier nor Texalta assume any obligation to update or revise them to reflect new events or circumstances.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.

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