

This is the form of a material change report required under Section 85(1) of the *Securities Act* and Section 151 of the *Securities Rules*.

FORM 53-901F
(Previously Form 27)

BRITISH COLUMBIA SECURITIES ACT

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

Item 1. Reporting Issuer

Transeuro Energy Corp. of 700-900 West Hastings Street, Vancouver BC V6C 1E5

Item 2. Date of Material Change

May 31, 2005

Item 3. Press Release

Press release was issued at Vancouver, British Columbia on June 8, 2005.

Item 4. Summary of Material Change

Transeuro Energy Corp. (the "Company") has entered into a non binding letter of intent with Mattson Holdings Ltd. ("Mattson") pursuant to which the Company will acquire all of the shares of Mattson. As consideration, the Company has agreed to issue 53,184,928 common shares to the shareholders of Mattson.

Item 5. Full Description of Material Change

See attached press release dated June 8, 2005 for a full description.

Item 6. Reliance on Section 85(2) of the Act

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Senior Officers

The following Senior Officer of the Company is available to answer questions regarding this report:

Edward Farrauto
President and CEO
604-687-3992

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated at Vancouver, British Columbia, this 9th day of June, 2005.

TRANSEURO ENERGY CORP

Per:

"Edward Farrauto"
Edward Farrauto,
President and CEO

Transeuro Energy Corp.

700 –900 West Hastings Street

Vancouver, B.C. V6C 1E5

Telephone: 604-676-7592 Fax: 604-608-4733

PRESS RELEASE

June 8, 2005

TSX Venture Exchange

Trading Symbol: TSU

**TRANSEURO ENERGY ANNOUNCES PROPOSED ACQUISITION
OF MATTSON HOLDINGS LTD.**

Vancouver, Canada: Transeuro Energy Corp. (the “Company” or “TSU”). Mr. Edward Farrauto, President and CEO of Transeuro Energy Corp. (**TSU:TSX Venture Exchange**) is very pleased to announce that the Company has entered into a Letter of Intent (“LOI”) dated May 31, 2005 to acquire of all of the issued and outstanding shares of Mattson Holdings Ltd. (“Mattson”) A British Columbia corporation, from Mattson’s shareholders (the “Shareholders”). Mattson has executed a letter of intent with Ampac Petroleum Inc. (“Ampac”) to acquire Ampac's interest in the Beaver River Farm-out and Operating Agreement between Questerre Beaver River Inc., a wholly owned subsidiary of Questerre Energy Corp. (QEC:TSX), and Ampac.

Transaction Terms

Transeuro will purchase from the Shareholders, who are arm's length parties to the Company, all of Mattson's 7,017,544 Class A common shares and 46,167,384 Class B common shares (the "Mattson Shares") which will represent all of Mattson’s issued shares at the time a definitive agreement is entered into with Transeuro. As consideration for the Mattson Shares, Transeuro will issue to the Shareholders 53,184,928 common shares (the “Transaction Shares”) in the capital of Transeuro at a deemed price of \$0.57 per Transaction Share. It is expected that 46,167,384 of the Transaction Shares, representing those Transaction Shares being issued in exchange for the Mattson Class B common shares, will be subject to the escrow restrictions pursuant to terms of TSX Venture Exchange (the “Exchange”) policy 5.4 and an escrow agreement to be entered into by Transeuro, the applicable Shareholders and Transeuro’s transfer agent in the form prescribed by the Exchange. The escrowed shares will be released in accordance with the policies of the Exchange. All of the Transaction Shares, including the 7,017,544 Transaction Shares that are not subject to escrow, will be subject to such other resale restrictions as may be prescribed by applicable securities laws.

Ampac currently owns an undivided 33.333% working interest in the Farmout Lands and has the right to acquire an additional 16.667% interest by completing an initial work program set out in the Beaver River Farmout and Operating Agreement. Pursuant to the Letter of Intent with Ampac, Mattson will acquire Ampac’s existing 33.333% interest along with the right to acquire the additional 16.667% interest by carrying out a work program of up to \$10 million as will be specified in the formal agreement with Ampac.

Transeuro Management

Upon completion of the Transaction, Mr. Harold (Hal) Hemmerich will be President and CEO of Transeuro and Mr. Edward Farrauto will be CFO. The Board of Directors will be comprised of Harold Hemmerich, Edward Farrauto, David Parry, Anastase Maragos and David Cohen. In addition, Mattson will have the right to appoint an additional director to the board.

Mr. Hemmerich has extensive background and experience in the resource industries of petroleum, natural gas and mining, as in the public markets as both a senior officer and director. He is currently the Director Business Development of High Arctic Energy Services LLC, a wholly-owned subsidiary of High Arctic Energy Services Inc., an Alberta based drilling services company with domestic and international operations.

Mr. Hemmerich's experience within the resource industry dates back to 1970. He has operated producing mines and exploration programs worldwide. His experience has encompassed operation in Russia, Africa, South America, North America, and Southeast Asia. He has led numerous financings and has strong ties to the capital markets. In addition to the financial considerations of public corporations, Hal has significant experience in mergers and acquisitions. He has initiated and coordinated initial public offerings and reverse takeovers.

Beaver River Farmout and Operating Agreement

Mattson, at the time the definitive agreement with Transeuro is entered into, will have entered into a formal agreement (the "Ampac Agreement") with Ampac to earn Ampac's interest in the Beaver River Field further to the Beaver River Farmout and Operating Agreement between Questerre Beaver River Inc. and Ampac dated May of 2005 (the "Beaver River Agreement"). Ampac currently owns a 33.333% working interest in a number of wells in Beaver River Field and has the right to acquire an additional 16.667% by completing an initial work program of \$5 million. Ampac has a further option to earn an additional 16.667% working interest in the Mattson formation of the Beaver River Field (resulting in it owning a 50% working interest) by drilling a new well and, upon completion or abandonment of that well, has the option to earn a 16.667% working interest in the Nahanni formation (resulting in it owning a 50% working interest) by drilling a new well in that formation.

Mattson has agreed with Ampac to provide exploration funding of up to \$10 million. It is currently planning and will be implementing an initial \$4 million wellbore reworking program expected to be carried out by High Arctic Energy Services.

The Beaver River Field

The Beaver River Field is a natural gas field located 150 km northwest of Fort Nelson, British Columbia and is adjacent to the Fort Liard area of the southern Northwest Territories where large gas discoveries by Chevron Canada and Encana Corporation have confirmed the region's natural gas potential. The Beaver River Field is tied into the Duke Energy Gas Transmission Pipeline and has been historically estimated to contain 1.5 Tcf to 3.0 Tcf of original gas in place (OGIP) with a recovery factor of 10% to 20%. Based on re-processed 3D Seismic and other data, a new field interpretation has now recognized that there are two horizons containing gas: the shallow Mattson sands and the deeper Nahanni formation. The Mattson sands contains 6 to 10 sandstone zones, each of which have the potential to host gas reserves.

Other Matters

Transeuro will put in place, subject to shareholder and regulatory approval, a stock option plan in form and substance satisfactory to the parties, and Transeuro will issue, upon the completion of the Proposed Transaction, an additional 1,500,000 options to purchase common shares of Transeuro at an exercise price of \$0.71, subject to regulatory approval. The new stock options will be valid for a 5 year period.

The Transaction is subject to receipt of a satisfactory valuation on the Beaver River Farmout and Operating Agreement by Mattson, the execution of a definitive agreement, the receipt of regulatory approval and the approval of the Transeuro board of directors.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Transeuro Energy is pursuing oil and gas exploration opportunities in the Papuan Fold Belt of Papua New Guinea, under-explored frontier basins in Armenia and gas production development on the Crimean Peninsula, Ukraine. Transeuro has staked a claim to three significant emerging oil and gas regions of the world. Transeuro's participation in the Beaver River Field will add a strong domestic gas component to Transeuro's portfolio.

TRANSEURO ENERGY CORP

Edward Farrauto
President and CEO

For further information contact:
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The TSX Venture Exchange has not reviewed, and does not accept responsibility for the adequacy or accuracy of the content of this news release.