MATERIAL CHANGE REPORT

Section 85(1) of the *Securities Act* **(British Columbia)**
Section 146(1) of the *Securities Act* **(Alberta)**

1. Reporting Issuer:

AltaCanada Energy Corp.
21st Floor, Hanover Building
101 – 6th Avenue S.W.
Calgary, AB T2P 2P4

2. Date of Material Change:

December 5, 2002

3. Press Release:

The purchase and sale of shares in the capital of Alberta Selecta Corporation ("Selecta") by AltaCanada Energy Corp. ("AltaCanada") from Paul Widmer, Hansruedi Fröhlich, Dinas Corporation and Emil Blümli and the purchase of a note payable to Hansruedi Fröhlich and Dinas Corporation from Selecta was announced via a press release distributed on Canada Newswire on December 5, 2002, copy attached.

4. Summary of Material Change:

AltaCanada has entered into a purchase and sale agreement with each of Paul Widmer, Hansruedi Fröhlich, Dinas Corporation and Emil Blümli, agreeing to purchase the remaining 2.2% minority interest in Selecta for cash in the aggregate amount of $28,540.

5. Full Description of Material Change:

On December 5, 2002 AltaCanada entered into a letter agreement with each of Paul Widmer, Hansruedi Fröhlich, Dinas Corporation and Emil Blümli agreeing to purchase an aggregate of 8,417 Class B Shares and 184,880 Class C Shares in the capital of Selecta and notes due from Selecta to Hansruedi Fröhlich in the amount of $3,023 and to Dinas Corporation in the amount of $1,929. The aggregate purchase price is $28,540 and will be paid in cash. The purchase price will be financed through cash and existing bank lines of credit.

See attached Press Release.

6. Reliance on Section 146(2) of the Alberta Securities Act or other equivalent sections of provincial section legislation where this report is filed:

Not applicable.

7. Omitted Information:

No material information has been omitted from this Report.

8. Senior Officers:

For further information, please contact Ms. Marlene Sims, Vice-President, Corporate Affairs, at AltaCanada Energy Corp., 21st Floor, Hanover Building, 101 – 6th Avenue S.W., Calgary, AB T2P 2P4, telephone: (403) 265-9090.

9. Statement of Senior Officer:

The foregoing accurately discloses the material changes referred to in this report.

DATED at Calgary, Alberta this 13th day of December, 2002.

AltaCanada Energy Corp.

Per: *"Marlene Sims"*
Marlene Sims
Vice-President, Corporate Affairs

PRESS RELEASE
December 5, 2002
TSX-V SYMBOL: ANG

ALTACANADA ANNOUNCES ACQUISITION OF REMAINING SELECTA SHARES

CALGARY, ALBERTA — AltaCanada Energy Corp. is pleased to announce that it has entered into agreements to acquire the remaining minority interests in Alberta Selecta Corporation held by four Selecta shareholders totalling approximately 2.2%. The total consideration paid by AltaCanada for this interest is $28,540 in cash. These acquisitions, together with the recently announced proposed acquisition from Mayon Invest Corporation, will bring AltaCanada's interest in Selecta from 97.8% to 100%.

Selecta is a private oil and natural gas company with undeveloped acreage and producing properties in east central Alberta in which AltaCanada had purchased a 74% interest in March of 2002. Selecta presently has total sales of 188 boed, of which 99 boed is gas (on a 6:1 basis) and 89 boed is oil and NGLs, and 31,909 (5,358 net) undeveloped acres of land and interests in pipelines and gas facilities. AltaCanada's current sales, not including this proposed minority acquisition nor the acquisition of Mayon's minority interest, total 470 boed. The consideration paid for the Selecta securities represents a value of $6.74 per boe, excluding the undeveloped land, Selecta's debt and cash.

The acquisitions will be effected by way of share purchase agreements between AltaCanada and each of Paul Widmer, Hansruedi Fröhlich, Dinas Corporation and Emil Blümli, and are scheduled to close immediately upon receipt of regulatory approval. The purchase price will be paid in cash financed through existing cash and bank lines of credit. No finders' fee is payable by AltaCanada in connection with the acquisition.

Pursuant to the TSX Venture Exchange Policies, these acquisitions are related party transactions. AltaCanada is eligible for and intends to rely upon certain exemptions from the Policies.

For further information please contact Marlene Sims, Vice-President, Corporate Affairs, AltaCanada Energy Corp., Telephone: (403) 265-9091, Fax: (403) 266-6100, Email: info@altacanada.com