

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

The name of the reporting issuer is Pifher Resources Inc. (the "Issuer"). Its registered office is 777 Bay Street, Suite 1910, Toronto, Ontario, M5G 2C8.

Item 2 Date of Material Change

The material change occurred on April 27, 2004.

Item 3 News Release

A press release in connection with the material change was issued in Ontario on May 3, 2004, a copy of which as issued is annexed hereto as Schedule "A".

Item 4 Summary of Material Change

A brief but accurate summary of the nature and substance of the material change is provided in the press release annexed hereto as Schedule "A".

Item 5 Full Description of Material Change

A full description of the material change is provided in item 4 herein.

Item 6 & 7 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102 and Omitted Information

The Issuer is not relying on 7.1(2) or (3) of National Instrument 51-102 for the filing of this report nor is any information being omitted in reliance thereon.

Item 8 Executive Officer

For further information with respect to this report, please contact Gary Conn, President and Director of the Issuer, at: Telephone: (519) 455-8127 or Joseph Fuda, Director, in Toronto at (416) 360-4031.

Item 9 Date of Report

DATED at Toronto, Ontario this 4th day of May, 2004.

PIFHER RESOURCES INC.

Per: "Gary Conn"
Gary Conn
President and Director

Schedule "A"

PIFHER RESOURCES INC.

PRESS RELEASE

May 3, 2004

PIFHER RECEIVES \$5.5 MILLION CREDIT FACILITY

PIFHER ANNOUNCES CHANGES TO BOARD OF DIRECTORS

Listing: TSX Venture Exchange, symbol "PFR"
Issued and Outstanding Shares: 6,458,155 Common Shares

Toronto, Canada - Pifher announced today that it has closed a \$5.5 million loan facility from the Toronto-Dominion Bank. The loans are for the construction of a natural gas gathering system and pipeline and for further development of oil and gas properties, as well as to facilitate issuances of letters of credit and/or guarantee.

The credit facilities consist of a \$5.0 million interim construction loan which bears interest at the bank's prime rate plus 1.00%, demand revolving term loans and letters of credit/guarantee facility. Upon completion of construction of the pipeline and gathering systems, the interim construction facility will be converted to a demand production facility for \$5.0 million which bears interest at the Bank's prime rate plus 0.50%. The company also has a letter of credit facility with the bank for \$500,000. As security for Pifher's indebtedness under the loan facilities, the T-D Bank has been provided with an \$8.0 million first fixed and floating charge demand debenture on all assets and undertakings from Pifher with a fixed charge on all oil and gas properties and guarantees and additional security provided by related companies.

Pifher is pleased to have received these loan facilities, which will result in required funding for Pifher's gathering system and pipeline construction project. Management is pleased that Pifher is in a position to secure the financing without issuing shares and dilution to shareholders.

Pifher also announced that George Chilian tendered his resignation as a director on February 28, 2004. Following Mr. Chilian's departure, Pifher's board of directors consists of Salvatore Fuda (Chairman), Gary Conn (President and Treasurer), Joseph Fuda (director), Andrew Brandt (director) and Robert Moore (director). All of the directors were elected at Pifher's last annual meeting on September 19, 2003.

Further information can be obtained by contacting Gary Conn, President and Director of Pifher, in London, Ontario at: Tel. (519) 455-8127, or Joseph Fuda, Director, in Toronto at Tel: (416) 360-4031.

Statements in this news release that are not historical facts, including statements about plans and expectations regarding properties, reserves, transactions and opportunities, capital resources and future financial results are forward-looking. Forward-looking statements involve risks and uncertainties which may cause the company's actual results in future periods to differ materially from those expressed. These uncertainties and risks include changing gas and commodity prices and currency exchange rates, demand for gas, lack of success of future exploration and development, competition and other factors discussed from time to time in the company's filings with the Ontario Securities Commission.

Neither the TSX Venture Exchange nor any securities regulatory authority has approved or disapproved of this news release.

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