

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

The name of the reporting issuer is Echo Energy Canada Inc. (the "Issuer" or "Echo"). Its principal office is located at 596 Hamilton Road, London, Ontario, N5Z 1S6.

Item 2 Date of Material Change

The material change occurred on March 16, 2006.

Item 3 News Release

A press release in connection with the material change was issued on March 20, 2006 through CCN Matthews. A copy of the press release, as issued, is annexed hereto as Schedule "A".

Item 4 Summary of Material Change

The material change is summarized 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 the press release referenced in 4 above and annexed hereto as Schedule "A".

(a) Full Description of the Transaction and its Material Terms

Pursuant to a debt for shares agreement (the "Agreement") dated March 16, 2006, Echo was issued 4,509,833 common shares (the "Shares") of Ontex Resources Limited ("Ontex"), at an assigned price of \$0.18 per share in full and final satisfaction of a \$811,770 debt (the "Debt") owing to it by Ontex. The Debt comprised a number of cash advances made by Echo and its wholly owned subsidiary to Ontex.

(b) Purpose and Business Reasons for the Transaction

The Shares were issued to and acquired by Echo in full and final satisfaction of the Debt owed to Echo by Ontex.

(c) Anticipated Effect on the Issuer

The transaction resulted in an increase of the number of outstanding common shares of Ontex by 9.2%. As a result of the transaction, Echo holds 8.4% of the outstanding common shares of Ontex.



(d) Description of the Interest of each Interested Party, Related Party and Associated Entity

Ontex currently holds approximately 13.6% of Echo's outstanding common shares and is a Related Party to Echo, as defined in Ontario Securities Commission Rule 61-501 (the "Rule"), and the debt for shares agreement constitutes for Echo a Related Party Transaction, as also defined in the Rule.

Challenge Gas Holding A.B., a Swedish corporation, is deemed to be an associate of Echo by virtue of Challenge Gas Holding A.B. beneficially owning 11,016,618 common shares of Echo, representing approximately 21.2% of the outstanding voting securities of Echo. Challenge Gas Holding A.B. is beneficially owned, as to 49%, by Exclusive Asset Management Inc., a corporation wholly owned by the Fuda 2002 Family Trust (a trust established for members of Salvatore Fuda's family) and of which Salvatore Fuda is president and director, and by Oliver Nepomuceno, as to 51%. Salvatore Fuda is Chairman and director and Oliver Nepomuceno is a director of Echo.

Exclusive Asset Management Inc. beneficially owns 5,693,970 common shares of Echo, representing approximately 11% of the outstanding voting securities of Echo. Exclusive Asset Management Inc. holds 4,108,994 common shares of Ontex and Salvatore Fuda holds 309,210 common shares of Ontex, together such holdings constituting 8.3% of the common shares of Ontex outstanding. Salvatore Fuda is President and director of Exclusive Asset Management Inc.

(e) Review and Approval Process adopted by the Issuer's Board of Directors

Two individuals are concurrently serving as directors of both Ontex and Echo. As such, an independent committee (the "Committee") of the directors of Echo was appointed, constituted and empowered in order to consider whether or not to proceed with the acceptance of the Shares in satisfaction of the Debt, to determine the terms upon which Echo would accept an issuance of common shares of Ontex in full and final satisfaction of the Debt and to authorize Echo to complete the transaction on such terms as it deemed appropriate.

The Committee unanimously authorized Echo to accept the Shares pursuant to the terms and conditions of the Agreement in full and final satisfaction of the Debt, expressly determined that the fair market value of the Shares is not less than the amount of the Debt and authorized Echo to complete the shares for debt transaction.

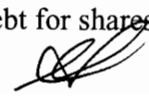
The fully constituted board of directors of Echo accepted the recommendations of the Committee and ratified the authorization by the Committee to complete the transaction on the terms described in this report, all by a vote in which 5 of 6 directors approved the recommendations and 1 director opposed.

(f) Formal Valuation

Echo relied upon the exemption from the valuation requirements set forth in section 5.5 the Rule.

(g) Previous Valuations

No previous valuations have been made in relation to the subject matter of the debt for shares transaction.



(h) Agreements Entered into with Joint Actors or Interested Parties

No agreement has been entered into by Echo or a related party of Echo with an interested party or joint actor in connection with the debt for shares transaction, other than as disclosed herein.

(i) Formal Valuation and Minority Approval Exemptions

Echo relied on exemptions from the formal valuation and minority approval requirements set forth in sections 5.5(2) and 5.7(2), respectively, of the Rule. The fair market value of the Debt, being \$811,770 and the fair market value of the Shares, each, is less than 25% of Echo's market capitalization. The market capitalization of Echo, as at the date of the Agreement, was approximately \$39,405,000.

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

Echo 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 7 Omitted Information

No material information is being omitted from this report.

Item 8 Executive Officer

For further information with respect to this report, please contact Mr. Gary Conn, President of the Issuer, at: Telephone (519) 455-1827.

Item 9 Date of Report

DATED at Toronto, Ontario this 21st day of March, 2006.



Schedule "A"

ECHO ENERGY CANADA INC.

PRESS RELEASE – FOR IMMEDIATE RELEASE

ECHO ENERGY CANADA INC. ACQUIRES 4,509,833 COMMON SHARES OF ONTEX RESOURCES LIMITED IN DEBT SETTLEMENT

March 20, 2006 – Toronto, Ontario – Echo Energy Canada Inc. (TSXV: "EEI") announced that it has acquired 4,509,833 common shares of Ontex Resources Limited (TSX: "ONT"). Ontex issued the shares to Echo in a private transaction pursuant to a debt settlement agreement between the parties in full and final settlement of \$811,770 of debt comprising cash advances by Echo. The shares were issued at an assigned value of \$0.18 per share.

Prior to the acquisition, Echo held no securities of Ontex. Immediately after the acquisition, Echo held 4,509,833 common shares of Ontex, representing 8.4% of the outstanding common shares of Ontex. Parties deemed to be acting jointly and in concert had direct and indirect ownership and control over 4,418,204 common shares of Ontex, representing 8.3% of the outstanding common shares of Ontex, both prior to and immediately after the acquisition. Echo does not currently intend to acquire further securities of Ontex, however, it may acquire securities of Echo in the future.

A material change report in connection with the transaction will be filed at www.sedar.com. The material change report could not be filed 21 days prior to the completion of the transaction as the transaction was not approved by an independent committee of the board of directors of each of Echo and Ontex until the date of closing.

Further particulars of the foregoing transaction are available in the corresponding report filed in accordance with National Instrument 62-103 on SEDAR (at www.sedar.com). A copy of the report is also available by contacting Gary Conn, President, at ph. (519) 455-8127 or Salvatore Fuda, Chairman, at (416) 360-4031.

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

