JACKAL ENERGY INC.
1500, 400 - 3 Avenue S.W.
Calgary, Alberta
T2P 4H2

ALBERTA SECURITIES COMMISSION
19th Floor, 10025 Jasper Avenue
Edmonton, Alberta
T5K 3Z5

BRITISH COLUMBIA SECURITIES COMMISSION
P.O. Box 10142 Pacific Centre
701 West Georgia Street
Vancouver, British Columbia
V7Y 1L2

CANADIAN VENTURE EXCHANGE INC.
10th Floor, 300 - 5th Avenue S.W.
Calgary, Alberta,
T2P 3C4

Dear Sirs:

Re: Jackal Energy Inc. (the "Corporation")
Material Change Report Under Section 118 of the *Securities Act* (Alberta)

This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of Jackal Energy Inc. For convenience, this letter is itemized in the same manner as Form 27 of the *Securities Act* (Alberta). Concurrent with this filing, this letter is being filed with the Canadian Venture Exchange Inc., being the only exchange on which the Corporation's shares are currently listed.

Item 1 - Reporting Issuer

Jackal Energy Inc.
1500, 400 - 3 Avenue S.W.
Calgary, Alberta
T2P 4H2

Telephone: (403) 716-3668

Item 2 - Date of Material Change

December 13, 2001

Item 3 - News Release

A news release was issued on December 13, 2001 and disseminated through the facilities of Canadian Corporate News.

Item 4 - Summary of Material Change

The Corporation announced on December 13, 2001 the entering into of a Letter of Intent for the acquisition of PBR Laboratories Inc. by way of a takeover of all of the issued and outstanding securities of PBR Laboratories Inc. in consideration for the issue by the Corporation of 10,000,000 common shares at a deemed price of $0.20 per share. The proposed acquisition is intended to be the qualifying transaction of the Corporation.

Item 5 - Full Description of Material Change

Jackal Energy Inc. (the Corporation), a Junior Capital Pool Company, announced today that it has entered into a Letter of Intent for the acquisition of PBR Laboratories Inc. ("PBR"), a private Alberta based bioanalytical research and services company. The Corporation anticipates making a take-over bid to acquire all of the issued and outstanding securities of PBR in consideration for the issue by the Corporation of 10,000,000 common shares at a deemed price of $0.20 per share. In addition, PBR is in the process of completing a private placement of up to 2,000,000 common shares at $0.20 per share ("PBR Private Placement"). The Corporation will issue one common share for each share issued under the PBR Private Placement. Assuming maximum PBR Private Placement, the Corporation will issue a total of 12,000,000 common shares for the acquisition of PBR.

The purchase price is based on arms-length negotiations between the Corporation and PBR. In addition, the Corporation may issue up to additional 1,498,000 stock options at a price of $0.20 per share, subject to regulatory approval.

PBR is engaged in 1) the application of genotoxicity assays to identify mutagenic and carcinogenic agents, and developing products that may inhibit or reduce activities of carcinogenic chemicals affecting humans through involuntary exposure from food, chemotherapeutic agents and lifestyle; 2) the development of diagnostic kits for the detection and identification of environmental toxins; and 3) microbiological analysis applied to human health, product development and the environment.

The proposed acquisition is intended to be the qualifying transaction of the Corporation, subject to regulatory and shareholder approval, pursuant to Policy 2.4 of the Canadian Venture Exchange Inc. The principle shareholders of PBR are Dr. Ram Mehta and Dr. Frank Kozar, both of whom reside in Edmonton, Alberta.

The proposed acquisition is an arms-length transaction.

Completion of the transaction is subject to a number of conditions, including but no limited to, CDNX acceptance and majority of the minority 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 securities of a capital pool company should be considered highly speculative.

Item 6 - Reliance on Section 118(2) of the Securities Act

Not applicable.

Item 7 - Omitted Information

No omitted information.

Item 8 - Senior Officer

The name of a Senior Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

Timothy F. Bokenfohr, President
Telephone: (403) 716-3668

Item 9 - Statement of a Senior Officer

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

DATED at Calgary, Alberta this 14th day of December, 2001.

Yours truly,

JACKAL ENERGY INC.

Per: ***"Signed"***
Timothy Bokenfohr, President