

## FORM 27

### MATERIAL CHANGE REPORT UNDER SECTION 146 (1) OF THE *SECURITIES ACT* (ALBERTA), SECTION 85(1) OF THE *SECURITIES ACT* (BRITISH COLUMBIA) AND SECTION 75(2) OF THE *SECURITIES ACT* (ONTARIO)

**ITEM 1 Reporting Issuer:**

Viracocha Energy Inc.  
#700, 639 - 5th Ave SW  
Calgary, AB T2P 0M9  
**Attention: Mr. Greg Fisher**

**ITEM 2 Date of Material Change:**

The material change occurred on November 18, 2002.

**ITEM 3 News Release:**

A news release was issued on November 18, 2002 through CCN Matthews.

**ITEM 4 Summary of Material Change:**

**VIRACOCHA ENERGY INC.** ("Viracocha") is pleased to announce it has signed a Letter of Intent to acquire a private company for a purchase price of **\$23,250,000**. The consideration is comprised of \$15.0 million cash, 5.5 million Class A Common Shares of Viracocha, and 0.5 million Share Purchase Warrants of Viracocha.

The company to be acquired currently reports production of approximately 1,000 barrels of light oil per day from properties located within Viracocha's Central Alberta core area. Viracocha's management believes there is opportunity to increase production through well optimization and development drilling.

The acquisition increases Viracocha's current pro forma production to **3,300 boepd** (on a 6:1 basis) comprised of 58% light oil, 30% gas, and 12% heavy oil. With the acquisition, the Corporation is increasing its guidance for next year to **4,000 boepd** (65% light oil, 25% gas, 10% heavy oil) and cash flow to \$0.48 per fully diluted share.

**ITEM 5 Full Description of Material Change:**

See Item 4 above

**ITEM 6 Reliance on Section 146(2) of the Securities Act (Alberta), Section 85(2) of the Securities Act (British Columbia) or Section 75(3) of the Securities Act (Ontario):**

Not applicable

**ITEM 7 Omitted Information:**

Not applicable.

**ITEM 8 Senior Officers:**

Robert Zakresky, President & CEO  
Robert Jepson, Vice President, Land  
Greg Fisher Vice President, Finance & CFO

**ITEM 9 Statement of Senior Officer:**

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

**DATED** at Calgary, Alberta this 26th day of November, 2002.

**VIRACocha ENERGY INC.**

Per:

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Greg Fisher, Vice President Finance & CFO

**IT IS AN OFFENCE UNDER THE SECURITIES ACT AND THE SECURITIES REGULATION FOR A PERSON OR COMPANY TO MAKE A STATEMENT IN A DOCUMENT REQUIRED TO BE FILED OR FURNISHED UNDER THE ACT OR THE REGULATION THAT, AT THE TIME AND IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH IT IS MADE, IS A MISREPRESENTATION.**