FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1. NAME AND ADDRESS OF COMPANY

EnerGulf Resources Inc. (the "Company")
200 – 675 West Hastings Street, Vancouver, British Columbia V6B 1N2

ITEM 2. DATE OF MATERIAL CHANGE

July 7, 2005

ITEM 3. NEWS RELEASE

Issued July 7, 2005 and distributed through the facilities of Canada Stockwatch and Market News.

ITEM 4 SUMMARY OF MATERIAL CHANGE

The Company granted incentive stock options under its Stock Option Plan to directors, officers, employees and consultants for the purchase of a total of 853,800 common shares in its capital.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

The Company has today granted incentive stock options under its Stock Option Plan to directors, officers, employees and consultants for the purchase of a total of 853,800 common shares in its capital. The options are exercisable on or before July 7, 2010, options exercisable for up to 703,800 shares at a price of $1.10 per common share and for up to 150,000 shares at a price of $1.38 per common share.

ITEM 6. RELIANCE ON SUBSECTION 7.1(3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

No information has been omitted on the basis that it is confidential information.

ITEM 8. EXECUTIVE OFFICER

Contact: James Askew, President
Telephone: 1 888 822 8441

ITEM 9. DATE OF REPORT

DATED at Vancouver, British Columbia, this 7th day of July, 2005.