

FORM 27

MATERIAL CHANGE REPORT

1. Reporting Issuer:

Terraquest Energy Corporation ("Terraquest")
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Calgary, Alberta
T2R 1M7

Telephone: (403) 298-1200
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2. Date of Material Change:

June 17, 2003.

3. News Release:

A press release setting forth certain information relating to the material change described herein was issued on June 17, 2003 through the facilities of CCNMatthews.

4. Summary of Material Change:

On June 17, 2003, Terraquest closed its previously announced private placement (the "Private Placement") of 10,000,000 common shares issued on a flow-through basis (the "Shares") at a price of \$0.30 per Share, for gross proceeds of \$3,000,000.

5. Full Description of Material Change:

On June 17, 2003, Terraquest closed its previously announced Private Placement of 10,000,000 Shares issued on a flow-through basis at a price of \$0.30 per Share, for gross proceeds of \$3,000,000.

The proceeds of the Private Placement will be used to fund Terraquest's ongoing exploration program in Alberta in 2003 and 2004.

6. Reliance on Confidentiality Provision:

Not applicable.

7. Omitted Information:

Not applicable.

8. Senior Officer:

For further information concerning the material change described herein, please contact the following:

Name	Business Telephone Number
R. James Brown Vice President, Finance and Chief Financial Officer Terraquest Energy Corporation	(403) 298-1209

9. Statement of Senior Officer:

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

Dated at Calgary, Alberta this 18th day of June, 2003.

TERRAQUEST ENERGY CORPORATION

Per: "R. James Brown"

R. James Brown
Vice President, Finance and
Chief Financial Officer