MATERIAL CHANGE REPORT

Section 85(1) of the *Securities Act* (British Columbia)
Section 146(1) of the *Securities Act* (Alberta)
Section 75(2) of the *Securities Act* (Ontario)
Section 73 of the *Securities Act* (Québec)
and Similar Provisions of Other Provincial Securities Legislation

1. **Reporting Issuer**

   The name and address of the reporting issuer is:

   Storm Energy Ltd.
   3300, 205 – 5th Avenue S.W.
   Calgary, AB T2P 2V7

2. **Date of Material Change**

   The material change occurred on May 1, 2003.

3. **Press Release**

   A press release reporting the material change was issued on May 1, 2003 at Calgary, Alberta.

4. **Summary of Material Change**

   Storm Energy Ltd. announced the completion of a previously announced acquisition of major exploration, development and producing properties in the Red Earth area in Alberta and Parkland, British Columbia

5. **Full Description of Material Change**

   See press release attached hereto.

6. **Reliance on Confidential Disclosure Provisions**

   Not applicable.

7. **Omitted Information**

   Not applicable.

8. **Senior Officer**

   For further information: Matthew Brister, President and Chief Executive Officer or Don McLean, Vice President and Chief Financial Officer at Phone: (403) 264-3959 or Fax: (403) 266-6209

9. **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

DATED May 6th, 2003 at Calgary, Alberta.

STORM ENERGY LTD.

By: *(signed) "Don McLean"*
Don McLean
Vice President and Chief Financial

CALGARY, May 1 /CNW/ - Storm Energy Ltd ("Storm") is pleased to announce the completion of the previously announced acquisition of major exploration, development and producing properties in the Red Earth area in Alberta and at Parkland, British Columbia.

The assets were acquired from ARC Resources Ltd ("ARC") and were acquired in conjunction with ARC's recently completed purchase of Star Oil & Gas Ltd. Assets purchased by Storm are as follows:

Red Earth, North Central Alberta
- production of 1,450 barrels of light sweet crude oil per day
- total proven reserves estimated by Storm to be 7.9 million barrels of oil equivalent
- 30,000 net acres of undeveloped land
- 60 square miles of proprietary 3D seismic

Parkland, North East British Columbia
- 1 mm cubic feet per day of natural gas production
- total proven reserves estimated by Storm to be 3.0 Bcf
- 60,000 net acres of undeveloped land
- 80 square miles of proprietary 3D seismic

The aggregate purchase price was $68.2 million, funded by an underwritten syndicated credit facility in the amount of $102.5 million with the Canadian Imperial Bank of Commerce acting as agent. This facility also replaced Storm's existing credit facility of $45 million. The effective date of the acquisition and the date of closing is May 1, 2003.

Storm Energy Ltd is a Calgary based light oil and natural gas producer with its main producing properties located in the Red Earth area in north central Alberta and in north east British Columbia. Storm's shares are traded on the Toronto Stock Exchange under the trading symbol "SEM". Corporate information provided herein contains forward looking information. The reader is cautioned that assumptions used in the preparation of such information, which are considered reasonable by Storm at the time of preparation, may be proved to be incorrect. Actual results achieved during the forecast period will vary from the information provided herein and the variations may be material. There is no representation by Storm Energy Ltd. that the actual results achieved during the forecast period will be the same in whole or in part to those forecast.

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For further information: Matthew J. Brister, President and Chief Executive Officer, Donald G. McLean, Vice President and Chief Financial Officer, Telephone: (403) 264-3959, Facsimile: (403) 266-6209, www.stormenergy.com