MATERIAL CHANGE REPORT

1. **Name and Address of Company**

   North Peace Energy Corp. ("North Peace" or the "Company")
   630, 505 - 3rd Street SW
   Calgary, AB T2P 3E6
   Telephone: (403) 262-6024

2. **Date of Material Change**

   June 9, 2009

3. **News Release**

   A press releases dated June 9, 2009 disclosing in detail the material summarised in this material change report was disseminated through the facilities of Marketwire on June 9, 2009 and would have been received by the securities commissions where North Peace is a "reporting issuer" and the stock exchanges on which the securities of North Peace are listed and posted for trading in the normal course of their dissemination.

4. **Summary of Material Change**

   On June 9, 2009 North Peace announced that it has entered into an agreement to sell, on a bought deal basis, 18,200,000 units ("Units") at a price of $0.55 per Unit to underwriters co-led by GMP Securities L.P. and Genuity Capital Markets (the "Underwriters") for gross proceeds to North Peace of approximately $10 million.

   Each Unit consists of one common share and one half of one common share purchase warrant ("Warrant") of the Company. Each whole Warrant entitles the holder to acquire one common share of the Company at a price of $0.75 per share for a period of 18 months from the closing date of the offering (subject to an accelerated exercise after six months if the common shares trade above $1.00 per share for 20 consecutive trading days).

   The Underwriters have been granted an option to purchase up to 2,730,000 additional Units exercisable in whole or in part at any time up to 48 hours prior to closing.

5. **Full Description of Material Change**

   See the attached press release.

6. **Reliance on Subsection 7.1(2) or(3) of National Instrument 51-102**

   Not Applicable

7. **Omitted Information**

   Not Applicable

8. **Executive Officers**

For further information, please contact Louis Dufresne, President and Chief Executive Officer of North Peace, by telephone at (403) 262-6024.

9. **Date of Report**

June 19, 2009

TSX-V: NPE

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North Peace Announces Bought Deal Financing for Gross Proceeds of $10 million

Calgary, Alberta, June 9, 2009 – North Peace Energy Corp. ("North Peace" or the "Company") is pleased to announce that it has entered into an agreement to sell, on a bought deal basis, 18,200,000 units ("Units") at a price of $0.55 per Unit to underwriters co-led by GMP Securities L.P. and Genuity Capital Markets (the "Underwriters") for gross proceeds to North Peace of approximately $10 million.

Each Unit consists of one common share and one half of one common share purchase warrant ("Warrant") of the Company. Each whole Warrant entitles the holder to acquire one common share of the Company at a price of $0.75 per share for a period of 18 months from the closing date of the offering (subject to an accelerated exercise after six months if the common shares trade above $1.00 per share for 20 consecutive trading days).

The Underwriters have been granted an option to purchase up to 2,730,000 additional Units exercisable in whole or in part at any time up to 48 hours prior to closing.

Closing of the offering is scheduled for June 23, 2009 and is subject to customary conditions including receipt of stock exchange approvals. The securities issued pursuant to the offering will be subject to a four-month hold period from the date of closing under applicable Canadian securities laws.

The majority of the net proceeds from the offering will be used to fund the expansion of the Company's Cyclic Steam Stimulation ("CSS") pilot project including the drilling of two additional horizontal CSS wells, engineering for a 3,000 bbls/d pilot expansion and for operations in respect of the CSS pilot.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The securities offered have not and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable states securities laws.

About North Peace

North Peace has an early stage in-situ oil sands play in northern Alberta with an estimated 2 to 3.1 billion barrels of Discovered Petroleum Initially-In-Place. The Company has a 100% working interest in 86,400 acres of Crown oil sands leases in the Peace River area. The lands have the benefit of over 300 legacy logs and are surrounded by accessible oil and gas production infrastructure. The target Bluesky zone is a regional sand, deposited in a near shore marine environment at approximately 400 metres in depth. The initial focus area has approximately 22 sections with 10 to 16 metres of oil-bearing thickness, technically sufficient to advance a 30,000 bbl/d commercial project. North Peace is currently advancing the development of its resource using Cyclic Steam Stimulation, a robust and proven in-situ thermal recovery process. The Company is currently operating a two well CSS pilot on its lands.

Discovered Petroleum Initially-In-Place

Discovered Petroleum Initially-In-Place (equivalent to Discovered Resources) is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of Discovered Petroleum Initially-In-Place includes production, reserves, and contingent resources. There is no certainty that the Discovered Petroleum Initially-In-Place will ever be produced.

Forward-Looking Statements:

Certain statements contained in this news release constitute forward-looking statements that involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The forward-looking statements contained in this news release are based on a number of expectations and assumptions that may prove to be incorrect. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this release should not be unduly relied upon. Actual results could differ materially as a result of changes in North Peace's plans, changes in commodity prices, regulatory changes, general economic, market and business conditions as well as production, development and operating performance and other risks associated with oil and gas operations including anticipated success of resource prospects and the expected characteristics of resource prospects; anticipated capital requirements, project rates of return and estimated project life; estimates of original discovered resource; estimates of recovery factors; lack of diversification; and overall technical and economic feasibility of the Company's project. These statements speak only as of the date of this release or as of the date specified in the documents accompanying this release, as the case may be. The Company undertakes no obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities laws.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.

For further information, please contact:

Louis Dufresne, President and CEO
James Glessing, Vice President, Finance & CFO

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