

MATERIAL CHANGE REPORT

Item 1. Reporting Issuer:

Breaker Energy Ltd. ("Breaker")
#1700, 736 – 6th Avenue S.W.
Calgary, Alberta, T2P 3T7

Item 2. Date of Material Change:

October 27, 2004

Item 3. News Release:

A News Release reporting the material change was issued by the issuer on October 27, 2004 through Canada NewsWire.

Item 4. Summary of Material Change:

On October 27, 2004, Breaker completed its initial public offering. A total of 10,000 units were subscribed for at a price of \$1,000 per unit. Each unit consists of 400 flow-through Class A shares at a price of \$0.25 per share and 90 flow-through Class B shares at a price of \$10.00 per share.

Item 5. Full Description of Material Change:

On October 27, 2004, Breaker successfully completed its initial public offering. The offering was fully subscribed with gross proceeds of \$10,000,000 including the full exercise of the \$500,000 over-allotment option. A total of 10,000 units were subscribed for at a price of \$1,000 per unit. FirstEnergy Capital Corp. acted as lead agent with Canaccord Capital Corporation, Orion Securities Inc. and Tristone Capital Inc. acting as agents. Each unit consists of 400 flow-through Class A shares at a price of \$0.25 per share and 90 flow-through Class B shares at a price of \$10.00 per share. With the completion of this offering Breaker has 8,000,001 Class A shares and 900,000 Class B shares issued and outstanding.

Breaker's team is Dan O'Neil, President and CEO; Max Lof, Vice President, Finance and CFO; Dan Polley, Vice President, Exploration; Ian Langdon, Vice President, Engineering; Craig McClelland, Vice President, Land and Ian Temple, Manager Geophysics.

Breaker's directors are Paul Colborne, Peter Bannister, John Bowlen, Rob Leach and Denny Hop.

Subject to final approval, the Class A and Class B Shares of Breaker will be listed for trading on the TSX Venture Exchange under the symbols WAV.A and WAV.B respectively. Trading is expected to commence in early November.

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

Not applicable

Item 7. Omitted Information:

Not applicable

Item 8. Senior Officer:

P. Daniel O'Neil
President & Chief Executive Officer
Telephone: (403) 215-5257

Dated as of October 29, 2004 at Calgary, Alberta.