FORM 51-102F3
MATERIAL CHANGE REPORT

ITEM 1 Name and Address of Company

Breaker Energy Ltd.
Suite 2300, 635 – 8th Avenue SW
Calgary, Alberta T2P 3M3

ITEM 2 Date of Material Change

October 12, 2009

ITEM 3 News Release

A News Release was issued on October 13, 2009 through the facilities of Marketwire.

ITEM 4 Summary of Material Change

Breaker Energy Ltd. ("**Breaker**") and NAL Oil & Gas Trust ("**NAL**") announced that Breaker, NAL and 1494705 Alberta Ltd., an indirect wholly-owned subsidiary of NAL ("**AcquisitionCo**") have entered into an arrangement agreement (the "**Arrangement Agreement**") pursuant to which NAL will, indirectly through AcquisitionCo, acquire all of the issued and outstanding class A shares of Breaker.

ITEM 5 Full Description of Material Change

5.1 Full Description of Material Change

NAL, AcquisitionCo and Breaker entered into the Arrangement Agreement pursuant to which NAL, indirectly through AcquisitionCo, will acquire all of the issued and outstanding class A shares of Breaker by way of a plan of arrangement under the *Business Corporations Act* (Alberta) (the "**Arrangement**") for consideration of 0.475 of an NAL trust unit for each Breaker class A share. The total consideration for the transaction is approximately $403 million which will be paid through the issuance of approximately 24.7 million trust units of NAL, representing $310 million at a deemed price of $12.54 per trust unit and the assumption of an estimated $93 million in Breaker net debt at closing. The Arrangement is expected to close on or about December 10, 2009.

Completion of the Arrangement is subject to the satisfaction of certain conditions including approval of the Arrangement by Breaker's shareholders and the Court of Queen's Bench of Alberta. A special meeting of the holders of class A shares will be held on or about December 9, 2009. The Arrangement Agreement provides for a $12 million non-completion fee payable by Breaker to NAL in certain circumstances.

The board of directors of Breaker has unanimously approved the Arrangement, and, based in part on the fairness opinion from Breaker's financial advisor discussed below, determined that the Arrangement is in the best interests of Breaker and the holders of its class A shares and is fair from a financial point of view to such holders. The board of directors has resolved to recommend that Breaker shareholders vote in favor of the Arrangement at the upcoming special meeting. Each of the directors and officers of Breaker, who collectively beneficially own or control approximately 7 percent of the issued and outstanding Breaker class A shares, has entered into a support agreement to vote in favor of the Arrangement, subject to the terms of such support agreement.

FirstEnergy Capital Corp. is acting as financial advisor to Breaker with respect to the Arrangement and has advised the board of directors of Breaker that it is of the opinion, as at October 12, 2009, that the consideration to be received by Breaker shareholders pursuant to the Arrangement is fair, from a financial point of view, to Breaker shareholders. BMO Capital Markets acted as financial advisor to NAL. Additionally, National Bank Financial Inc. and GMP Securities L.P. acted as strategic advisors to Breaker.

A copy of the Arrangement Agreement can be accessed under Breaker's profile on SEDAR at www.sedar.com.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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 Executive Officer

P. Dan O'Neil, President & Chief Executive Officer of Breaker is knowledgeable about the material change set forth herein and can be reached at (403) 215-5264

ITEM 9 Date of Report

Dated at Calgary, Alberta on October 15, 2009.

Forward Looking Statements and Information

*This report contains statements that constitute "forward-looking information" or "forward-looking statements" (collectively "**forward-looking information**") within the meaning of applicable securities legislation. This forward-looking information includes, among others, statements regarding the Arrangement, the proposed form of the Arrangement, the completion of the Arrangement and the outcome of the Arrangement, including regarding transaction value.*

Various assumptions were used in drawing the conclusions or making the forecasts and projections contained in the forward-looking information contained in this press release, including assumptions regarding the timing for receiving regulatory and shareholder approvals and satisfying other conditions to the completion of the Arrangement.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Breaker and described in the forward-looking information contained in this report. Undue reliance should not be placed on forward-looking information. The material risk factors include, but are not limited to: failure to receive approval of the Arrangement from Breaker's shareholders, the failure to receive approval of the Court of Queen's Bench of Alberta or applicable regulatory authorities or the failure to satisfy other conditions to the Arrangement.

Readers are cautioned that the foregoing list of risk factors is not exhaustive. Forward-looking information is based on the estimates and opinions of Breaker's management at the time the information is released. Breaker undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.