FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Pine Cliff Energy Ltd. (the "**Corporation**")
901, 1015 Fourth Street S.W.
Calgary, Alberta, Canada T2R 1J4

Item 2. Date of Material Change

June 26, 2007

Item 3. News Release

A press release was disseminated on July 4, 2007, by CCNMatthews.

Item 4. Summary of Material Change

The Corporation is pleased to announce that it has entered into an agreement with a syndicate of agents led by RBC Capital Markets under which the agents have agreed to offer on a private placement, reasonable best efforts agency basis, an aggregate of approximately $15,000,000 worth of common shares in the capital of the Corporation (the "**Common Shares**"). The number of Common Shares to be offered, the price per Common Share and the aggregate size of the offering will be determined by negotiation between the Corporation and the agents. The offering is expected to close on or about August 3, 2007.

Item 5. Full Description of Material Change

Please refer to the press release of the Corporation dated July 4, 2007 attached hereto as Schedule "A".

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

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

For further information, please contact George F. Fink, President, and CEO, Randy M. Jarock, COO, or Garth E. Schultz, Vice President - Finance, and CFO at (403) 269-2289 or by fax at (403) 265-7488.

Item 9. Date of Report

Dated at Calgary, Alberta, this 5th day of July, 2007

SCHEDULE "A"

PINE CLIFF ENERGY LTD.

SUITE 901, 1015 4TH STREET SW, CALGARY, CANADA T2R 1J4
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CALGARY, July 4, 2007 - Pine Cliff Energy Ltd. ("**Pine Cliff**") (www.pinecliffenergy.com) (TSX Venture: PNE) is pleased to announce that it has entered into an agreement with a syndicate of agents led by RBC Capital Markets under which the agents have agreed to offer on a private placement, reasonable best efforts agency basis, an aggregate of approximately $15,000,000 worth of common shares in the capital of Pine Cliff (the "**Common Shares**"). The number of Common Shares to be offered, the price per Common Share and the aggregate size of the offering will be determined by negotiation between Pine Cliff and the agents. The offering is expected to close on or about August 3, 2007.

Pine Cliff anticipates it will use the net proceeds of the offering to fund Pine Cliff's exploration, development, acquisitions and farm-in commitments and for general corporate purposes.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

Further information relating to Pine Cliff may be found on www.sedar.com as well as on Pine Cliff's website at www.pinecliffenergy.com or by contacting George F. Fink, President, and CEO, Randy M. Jarock, COO, or Garth E. Schultz, Vice President - Finance, and CFO at (403) 269-2289 or by fax at (403) 265-7488.

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