FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

VITAL RESOURCES CORP. (herein referred to as "Vital" or the "Corporation")
3005, 412 - 7th Avenue SW
Calgary, AB T2P 4K9

Item 2. Date of Material Change

July 12, 2006

Item 3. News Release

A press release was disseminated on July 14, 2006 via CNW.

Item 4. Summary of Material Change

Vital has completed a private placement of units for gross proceeds of $750,000 and has also completed the acquisition of an interest in a Farmin Agreement.

Item 5. Full Description of Material Change

Vital has closed the first tranche of a brokered private placement. Vital issued 1,875,000 Units at a price of $0.40 per Unit for gross proceeds of $750,000. The Units consisted of one common share and one common share purchase warrant. Each warrant is exercisable into one common share at an exercise price of $0.60 per share for a period of eighteen months after the closing.

All securities issued in connection with this private placement are subject to a four month hold period that expires on November 13, 2006. The proceeds of the private placement will be used to fund the acquisition from Bentley International Oil Ltd. of an interest in the Farmin Agreement as described below and to fund its commitments under the Farmin Agreement.

Canaccord Capital Corporation received a commission equal to 10% of the gross proceeds received by Vital from the sale of the Units, for a total of $75,000, 187,500 agent's warrants exercisable at $0.40 per share for a period of eighteen months after the closing, 150,000 Units and an administrative fee of $10,000.

Vital has also entered into an Asset Sale Agreement (the "**Asset Sale Agreement**") dated July 12, 2006 with Bentley International Oil Ltd. ("**Bentley**"), which supersedes the Purchase Agreement previously entered into with Bentley dated June 6, 2006 and closed the purchase of the Farmin Agreement under the Asset Sale Agreement. Pursuant to the Asset Sale Agreement, Vital issued to Bentley promissory notes in the total amount of US$375,000 with a maturity date of December 31, 2006 and 5,500,000 common shares in consideration for 100% of Bentley's interest in the Farmin Agreement dated May 26, 2006 with respect to Service Contract 50, Service Contract 51 and Service Contract 55 between NorAsian Energy Limited ("**NorAsian**") and Bentley, (the "**Farmin Agreement**").

Under the terms of the Farmin Agreement, Vital has the right to individually earn a net 30% working interest in each of Service Contracts 50, 51 and 55.

Service Contract 50 - 425,006 Gross Acres, 127,502 Net Acres NW Palawan Basin

- SC 50 hosts the Calauit 1B and Calauit South oil discoveries.
- Chapman Petroleum Engineering Ltd. (51-101 compliant) calculates that Calauit 1B field has 54.665 million barrels oil in place of which 8.91 million barrels is recoverable (100% WI - Proven, Probable and Possible).
- Chapman Petroleum Engineering Ltd. also calculates a net present value of the Calauit project using a 10% discount rate of $81 million.
- Vital plans to re-enter the existing Calauit 1B well, discovered in 1991, drilling a 500 meter horizontal lateral at the top of the 154 meter thick oil column.
- Re-entry planned for late 2006 or early 2007, dependent on drilling rig availability.
- Production will be from this newly drilled horizontal lateral estimated at 10,000 to 15,000 barrels oil per day. Two additional horizontal wells included in development plan.
- Re-entry well payout, estimated at under 3 months.

Service Contract 51 - 1,097,109 Gross Acres, 392,133 Net Acres, Cebu and Leyte Straits, East Visayas Basin

- A joint venture covering the two offshore blocks comprising SC 51
- One undeveloped gas discovery exists at Villaba-1 (Leyte Block) with 19 meter gas column.
- A number of prospects have been identified on seismic in the Cebu Straits Block, a proven oil & gas area.
- Four drillable prospects.
- Seismic planned for mid 2006 and drilling in 2007

Service Contract 55 - 2,223,870 Gross Acres, 667,161 Net Acres, SW Palawan Basin

- A joint venture in SW Palawan Basin.
- The area is on-trend, in-between the recent 500+ million barrel oil discoveries offshore Sarawak towards the South, and Malampaya reef, the Philippines largest producing oil/gas field to the North. Malampaya contains approxiately 200 million barrels oil and 2.5 tcf gas and is operated by Shell.
- Several other large geological structures including reefs and turbidite sands have been identified.
- Seismic planned for mid 2006, drilling 2008.

Terms of Farmin Agreement

SC 50

In order to earn its interest in SC50, Vital must pay for costs totaling US$1,125,000, of which US$300,000 has already been paid and the remaining US$825,000 is payable within 30 days of NorAsian entering into a Letter of Intent for a drilling rig for SC 50.

To retain its rights to a 30% interest in SC 50, Vital must make the following payments:

- pay the first US$5,000,000 of well cost expenditure on the Calauit 1B well;
- pay the first US$2,250,000 of mobilization costs incurred in securing a drilling rig for

SC50, and thereafter such costs will be borne in accordance with the parties' respective percentage interests in SC50; and

- pay 41.25% of any Security required to be given to secure a drilling rig for SC50.

SC51 and SC 55

In order to earn its interest in SC51 and SC55, Vital has paid US$335,000 for seismic surveys on SC51 and SC 55 and must pay an additional US$215,000 on August 31, 2006.

In order to retain its rights to a 30% interest in either SC 51 or SC 55, Vital must make the following payments:

- 41.25% of the well cost expenditure incurred in respect of the first well drilled on SC 51 or SC55.

Under the terms of the Farmin Agreement, Vital is also required to make the following payments to NorAsian in respect of all other associated costs and expenses:

- US$140,000 on or before August 31, 2006 as a contribution to a portion of the costs and expenses associated with the provision of the technical and administrative services; and
- a maximum of US$150,000 for planning costs incurred in respect of the Calauit 1B Well.

Vital agrees to pay its portion of the ongoing general and administrative expenses for the term of the project.

After giving effect to the private placement and the acquisition of the Assets, Vital has 23,605,100 common shares issued and outstanding.

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

The name and business number of the executive officer of the Corporation who is knowledgeable about the material change and this report is:

Michael Whitehead, Chief Executive Officer of the Corporation at the above mentioned address or at (403) 669-1645

Item 9. Date of Report

July 17, 2006