FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. **Reporting Issuer:**

Solara Exploration Ltd. (the "Company" or "Solara")
1810, 444 – 5th Avenue SW
Calgary, Alberta T2P 2T8

Item 2. **Date of Material Change:**

January 4, 2008

Item 3. **News Release:**

A press release reporting the material change was issued by the Company on Friday, January 4, 2008 via Marketplace.

Item 4. **Summary of Material Change:**

Solara announced the completion of a private placement of 820,000 Class A Shares issued on a flow-through basis at a price of $0.35 per share for aggregate proceeds of $287,000. The Company also announced that the Board of Directors approved the granting of stock option to officers, directors and employees of the Company in the amount of 950,000 Class A Shares with an exercise price of $0.30 per share.

Item 5. **Full Description of Material Change:**

Solara announced that it had completed a private placement of 820,000 Class A Shares issued on a flow-through basis at a price of $0.35 per share for aggregate proceeds of $287,000. The shares are subject to a four month hold period expiring on April 28, 2008. The Company plans to use the proceeds of the financing for ongoing operations on its oil and gas projects in Alberta.

The Company also announced that the Board of Directors approved the granting of stock options to officers, directors and employees of the Company. Options to purchase 950,000 Class A Shares were issued by the Company with an exercise price of $0.30 per share. The options have a term of five years with vesting in accordance with the Company's Option Plan.

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:**

Ross O. Drysdale, Corporate Secretary
Telephone: (403) 234-3326

Item 9. **Date of Report:**

DATED January 21, 2008 at Calgary, Alberta.