FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

Alter Nrg Corp. (the "**Corporation**")
420, 1414 – 8th Street S.W.
Calgary, AB T2R 1J6

2. Date of Material Change:

April 17, 2007

3. Press Release:

A news release setting out information relating to the material change described herein was disseminated on April 17, 2007 through Canada Newswire and filed on SEDAR.

4. Summary of Material Change:

On April 17, 2007, the Corporation closed its previously announced initial public offering (the "**Offering**") of 15,555,556 common shares in the capital of the Corporation ("**Common Shares**") issued at a price of $2.25 per Common Share for gross proceeds of $35,000,001. The Offering was completed through a syndicate of agents led by Wellington West Capital Markets Inc. and Canaccord Capital Corporation and including Raymond James Ltd., TD Securities Inc. and Paradigm Capital Inc. (collectively, the "**Agents**"). From the net proceeds of the Offering of approximately $32.6 million, $24,893,000 were used to complete the WPC Acquisition (as defined below) and the balance will be used to fund future capital expenditures.

Concurrently with the completion of the Offering, the Corporation acquired (the "**WPC Acquisition**") all of the issued and outstanding shares of Westinghouse Plasma Corporation ("**WPC**"), making WPC a wholly-owned subsidiary of the Corporation. In addition, the Corporation, Alter Nrg Income Fund (the "**Trust**"), by its administrator Alter Nrg Ltd. ("**ANRG**"), and the Trust's subsidiaries completed a reorganization by way of a statutory plan of arrangement (the "**Reorganization**") whereby the Trust became a wholly-owned subsidiary of the Corporation.

5. Full Description of Material Change:

Initial Public Offering

On April 17, 2007, the Corporation closed the Offering of 15,555,556 Common Shares for gross proceeds of $35,000,001. The Offering was completed through the Agents pursuant to an agency agreement dated April 10, 2007 among the Corporation, the Trust and the Agents (the "**Agency Agreement**"). Pursuant to the Agency Agreement, the Corporation has granted the Agents an over-allotment option, exercisable for up to 30 days following the closing of the Offering, for an additional number of Common Shares equal to 15% of the number of Common Shares issued pursuant to the Offering at a price of $2.25 per Common Share. From the net proceeds of the Offering of approximately $32.6 million, $24,893,000 were used to complete the WPC Acquisition and the balance will be used to fund future capital expenditures.

The Corporation's Common Shares are listed on the TSX Venture Exchange (the "**TSXV**") under the trading symbol "NRG".

WPC Acquisition

Concurrently with the closing of the Offering, the Corporation completed the WPC Acquisition pursuant to a share purchase agreement dated December 2, 2006, as amended February 20, 2007 (the "**Share Purchase Agreement**"), among ANRG, Mr. Shyam V. Dighe and a minority shareholder of WPC (collectively, the "**WPC Shareholders**"), which Share Purchase Agreement was further amended on April 4, 2007 to assign ANRG's rights and obligations to the Corporation. WPC is a private gasification company based in the United States which has a patented plasma gasification technology.

The consideration for the acquisition was an aggregate of US$29,000,000, of which US$22,000,000 (Cdn $24,893,000) was paid in cash (the "**Cash Portion**"), with the balance paid through the issuance of 3,540,583 Common Shares (the "**Share Portion**"). The entirety of the Share Portion was paid to Mr. Dighe, of which 2,655,438 are being held in escrow and will be released to Mr. Dighe over the balance of 2007. US$4,100,000 of the Cash Portion is also being held in escrow.

Within 90 days of the date of the closing of the WPC Acquisition (the "**WPC Closing Date**"), the Purchase Price will be adjusted on a dollar for dollar basis by: (i) being decreased by any amount by which WPC's working capital balance (calculated pursuant to the Share Purchase Agreement) as at the WPC Closing Date is less than US$150,000; or (ii) being increased by any amount by which WPC's working capital balance (calculated pursuant to the Share Purchase Agreement) as at the WPC Closing Date is greater than US$150,000, to a maximum increase of US$325,000. In the circumstances contemplated by (i) above, the WPC Shareholders will make payment to the Corporation of any difference owing, and in the circumstances contemplated by (ii) above, the Corporation will make payment to the WPC Shareholders of any difference owing.

Mr. Dighe has agreed that if, subsequent to the expiration of any hold periods applicable to the Common Shares (as may be imposed by applicable law, the rules of the TSXV or the escrow terms) and prior to the date which is 18 months from the WPC Closing Date, Mr. Dighe wishes to sell or otherwise dispose of any Common Shares, he will allow the Corporation (if the Corporation so desires) ten days to facilitate such sale or disposition at an equivalent price per Common Share (and without any greater commission, fee or other charge) through other means.

The Share Purchase Agreement contains representations and warranties of the parties which are typical for transactions of this type, and which survive for 18 months from the WPC Closing Date. The Share Purchase Agreement also contains indemnification provisions, including mutual indemnities by both the Corporation and the WPC Shareholders (on a several basis) for such matters as material misrepresentations or breaches of warranties or the failure to perform or observe, in any material respect, any of the covenants or agreements thereunder. Depending upon the nature of the claim, the liability of the WPC Shareholders is either restricted to 100% of the total consideration paid, or, alternatively, 10% of the total consideration paid. In certain circumstances, no claim for indemnity under the Share Purchase Agreement may be made by the Corporation until the aggregate of such claims exceeds US$1,250,000.

As a condition of the WPC Acquisition, each of the WPC Shareholders entered into a non-competition agreement with the Corporation and WPC whereby each agreed not to compete in the high temperature plasma business for three years subsequent to the WPC Closing Date in Canada and the continental United States of America. In addition, Mr. Dighe has entered into an employment agreement with WPC pursuant to which he will serve as the President of WPC.

Reorganization

Concurrently with the closing of the Offering and the WPC Acquisition, the Corporation, the Trust and its subsidiaries completed the Reorganization. The business of the Corporation (the "**Existing Business**") was initially organized to be indirectly owned by the Trust, which was established as a "mutual fund trust" under the *Income Tax Act* (Canada).

The Corporation, the Trust and ANRG received the approval of the unitholders of the Trust (the "**Unitholders**") and of the Alberta Court of Queen's Bench to proceed with the completion of the Reorganization on April 13, 2007. Upon closing of the Reorganization on April 17, 2007, the following occurred:

(a) each outstanding option to acquire units ("**Trust Units**") of the Trust was exchanged for one stock option to acquire Common Shares;

(b) each Trust Unit was exchanged for one Common Share; and

(c) the Common Shares owned by the Trust were cancelled.

As a result of the Reorganization, each Unitholder ceased to hold Trust Units of the Trust, and became a shareholder of the Corporation.

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

Not applicable.

7. Omitted Information:

No information has been omitted.

8. Executive Officer:

For further information, please contact Daniel R. Hay, Chief Financial Officer of the Corporation, at the above-mentioned address or at (403) 806-3881.

9. Date of Report:

April 26, 2007.