Form 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Primary Petroleum Corporation
("Primary" or the "Company")
Suite 200 – 744 Fourth Avenue S.W.
Calgary, AB T2P 3T4

Item 2 Date of Material Change

July 22, 2008

Item 3 News Release

The Company's news release was disseminated by Stockwatch on July 22, 2008.

Item 4 Summary of Material Change

Primary has reached agreement with the holders of the Convertible Promissory Notes to settle a total of $2,442,020.56 which amount represents the principal and accrued interest payable for a total of 6,105,051 shares in the Company at a deemed price of $0.40 per share, subject to regulatory approval.

Item 5 Full Description of Material Change

Primary has reached agreement with the holders of the Convertible Promissory Notes to settle a total of $2,442,020.56 which amount represents the principal and accrued interest payable for a total of 6,105,051 shares in the Company at a deemed price of $0.40 per share, subject to regulatory approval. Any shares issued pursuant to this debt settlement will be subject to a hold period of four months and are subject to other restrictions in accordance with the rules and regulations of the regulatory bodies having jurisdiction.

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

Mike Marrandino, President and Chief Executive Officer at (403) 262-3132

Item 9 Date of Report

July 22, 2008