FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Sagittarius Capital Corporation
95 Wellington Street West
Suite 1200
Toronto, Ontario M5J 2Z9

Item 2 Date of Material Change

April 17, 2008.

Item 3 News Release

Press Release in the form of Schedule A attached hereto was disseminated on April 17, 2008 via Marketwire.

Item 4 Summary of Material Change

Sagittarius Capital Corporation ("Sagittarius" or the "Company") announced that it has entered into an arm's length binding letter agreement (the "Agreement") dated April 16, 2008 with Diversified Energy and Resource Corporation ("DEAR"), pursuant to which Sagittarius will, subject to a number of conditions, acquire all of the issued and outstanding securities of DEAR. The transaction will constitute the Company's qualifying transaction under the policies of the TSX Venture Exchange (the "Exchange"). A detailed press release, setting forth the matters as required under Section 12 of Policy 2.4 of the Exchange will follow in due course.

Item 5 Full Description of Material Change

See Schedule A attached.

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

This report is not being filed on a confidential basis.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential.

Item 8 Executive Officer

Robin Sundstrom
Chief Executive Officer
(416) 368-8770

Item 9 Date of Report

April 18, 2008.

Schedule A

TSX VENTURE: SCX.P
Apr 17, 2008 18:31 ET

Sagittarius Capital Corporation Announces Details of Qualifying Transaction With Diversified Energy and Resource Corporation

TORONTO, ONTARIO--(Marketwire - April 17, 2008) - Sagittarius Capital Corporation (TSX VENTURE:SCX.P) ("Sagittarius" or the "Company"), a capital pool company, is pleased to announce that it has entered into an arm's length binding letter agreement (the "Agreement") dated April 16, 2008 with Diversified Energy and Resource Corporation ("DEAR"), pursuant to which Sagittarius will, subject to a number of conditions, acquire all of the issued and outstanding securities of DEAR. The transaction will constitute the Company's qualifying transaction (the "Qualifying Transaction") under the policies of the TSX Venture Exchange (the "Exchange"). A detailed press release, setting forth the matters as required under Section 12 of Policy 2.4 of the Exchange will follow in due course.

Under the terms of the Agreement, Sagittarius has agreed to form a new corporation ("Newco") for the purpose of amalgamating with DEAR. Newco will be a wholly-owned, Ontario-based subsidiary of the Company. As of the date of this press release, DEAR has 251,889,371 common shares issued and outstanding. It is contemplated in the Agreement that immediately prior to the completion of the Qualifying Transaction, DEAR will have up to 337,549,706 common shares issued and outstanding; the further issuance by DEAR of approximately 86,000,000 common shares which may be required by DEAR for future financings and investments. As consideration for the amalgamation of DEAR and Newco, holders of the 337,549,706 issued and outstanding common shares in the capital of DEAR ("DEAR Shares") will be entitled to receive, in the aggregate, 135,019,882 common shares of the Company ("Sagittarius Shares") so as to reflect an approximately $27.6 million valuation for DEAR. The foregoing Sagittarius Shares will be issued at an ascribed price of $0.25 per Sagittarius Share, representing a 25% premium above the initial public offering price of Sagittarius Shares.

The closing of the Qualifying Transaction with DEAR is subject to a number of conditions, including, but not limited to the following:

1. completion or waiver of sponsorship;

2. receipt of all required regulatory approvals, including the approval of the Exchange;

3. completion of all due diligence reviews;

4. receipt of all director and shareholder approvals, as may be required under applicable laws or regulatory policies; and

5. execution of a formal amalgamation agreement.

Upon execution of the Agreement and in accordance with Exchange policy, Sagittarius provided DEAR with a refundable payment of $25,000. The $25,000 refundable payment (the "Deposit") will become non-refundable upon confirmation or waiver by Sagittarius of the due diligence conditions set forth in the Agreement, provided, however, that DEAR will be obliged to repay the Deposit to Sagittarius if the Agreement is terminated by DEAR or is terminated by Sagittarius as a result of any material default thereunder on the part of DEAR or if a formal amalgamation agreement is not entered into on or before June 30, 2008.

Sponsorship of a qualifying transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies. Sagittarius and DEAR intend to retain a qualified entity as soon as is reasonably practicable following the date hereof to act as sponsor of the Qualifying Transaction in accordance with Policy 2.2 of the Exchange.

A filing statement in respect of the proposed Qualifying Transaction will be prepared and filed in accordance with Policy 2.4 of the Exchange on SEDAR at www.sedar.com no less than seven business days prior to the closing of the Qualifying Transaction. A press release will be issued once the filing statement has been filed.

About Diversified Energy and Resource Corporation

DEAR is an investment company and merchant bank whose investment activities focus on the natural resource sector, with an emphasis on undervalued energy, mineral exploration and environmental companies that demonstrate high growth potential.

DEAR is led by a management team with international experience across the mining and oil and gas industries, focused on identifying companies with strong asset bases, which are either not fully valued by the market or which have not yet reached the market. By combining the talents and insights of internationally experienced geologists, investment management professionals and financial and legal experts, the management of DEAR believes that it possesses a unique talent pool from which it can recognize and evaluate attractive assets and investment opportunities.

The corporate objective of DEAR is to build a strategic and diversified portfolio of equity investments in a global mix of small and medium capitalization oil & gas, mineral exploration, and renewable energy companies. The portfolio consists of both publicly traded and private companies that have demonstrated high growth potential either through the expansion or development of core assets or through consolidation within a particular commodity or geographic region.

When evaluating potential investment opportunities, DEAR looks for companies that demonstrate the following characteristics:

- A strong and experienced management team
- Undervalued assets
- Assets that exhibit tremendous growth or development potential
- Opportunities for consolidation

ATPK

Among its current investments DEAR has acquired a 20% interest in PT ATPK Resources ("ATPK"), an Indonesia based coal exploration and development company. ATPK currently holds more than 76 million tons of measured and indicated resources of coal in five projects, all of which are located in Indonesia.

One of the ATPK's two main projects, the Labanan coal project in East Kalimantan, Indonesia, has a total measured resource of 14.17 million tons of coal and an indicated resource of 10.3 million tons. Of this resource, 8.92 million tons of the measured resource and 4.7 million tons of indicated resource are contained in two main seams which exhibit good thickness for mining and low sulphur content of between 0.1% and 0.3%. The resource estimates reported herein are taken from a JORC compliant report on the project prepared by SRK Consulting in September, 2006. DEAR believes ATPK is currently undervalued relative to its reserves and stage of development and believes there is potential for capital appreciation as the company brings further resources into the probable reserve category through further exploration.

Dayen

DEAR has recently completed the acquisition of a 4% stake in Dayen Environmental Ltd. ("Dayen"), a publicly traded Singapore based environmental services company whose common shares trade on the Singapore Stock Exchange. Dayen is a single-source provider of engineering, field construction, project management, operations and maintenance services to municipal, industrial and commercial customers.

Specifically, Dayen designs and builds water treatment system packages for municipal and industrial customers. They also undertake turnkey projects in the form of Engineer, Procure & Construct ("EPC"). In addition, Dayen manufactures and trades environmental equipments for their customers. Finally, they invest in water treatment facilities under various schemes such as Design, Build, Own & Operate ("DBOO"), Build, Own, Operate and Transfer ("BOOT"), and Transfer Operate Transfer ("TOT").

Other Investments

DEAR has also recently completed investments in several privately held gold exploration companies. In particular, DEAR has acquired a minority stake in a Colombian gold exploration company as well as a United States focused exploration company currently consolidating past producing gold properties with significant exploration potential. The management of DEAR believes these opportunities exhibit positive risk-reward characteristics given the current investment climate for gold and mineral exploration companies.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

For more information, please contact

Sagittarius Capital Corporation
Robin Sundstrom
Chief Executive Officer
(416) 368-8770