

MATERIAL CHANGE REPORT

SECURITIES ACT (BRITISH COLUMBIA) SECTION 67(1) FORM 27 SECURITIES ACT (ALBERTA) SECTION 118(1) FORM 27 SECURITIES ACT (ONTARIO) SECTION 75(1) FORM 27

1. **Reporting Issuer:**

True Energy Inc.
300, 520 - 5th Avenue S.W.
Calgary, Alberta T2P 3R7

2. **Date of Material Change:**

February 28, 2001

3. **News Release**

A press release was issued through the facilities of Canada NewsWire on March 1, 2001.

4. **Summary of Material Change:**

True Energy Inc. ("True") announced that approximately 99% of the issued and outstanding Class A Shares and 95% of the issued and outstanding Class B Shares of Marengo Exploration Ltd. ("Marengo") have been tendered to True's Offer to Purchase dated February 6, 2001 (the "Offer"). True has directed the depository, Computershare Trust Company of Canada, to take up and pay for the Class A Shares and Class B Shares of Marengo deposited under the Offer. After pro-rationing, approximately 836,320 common shares of True were issued in partial consideration for the Marengo shares acquired to date.

As the Offer was accepted by holders of greater than 90% of the Class A Shares and Class B Shares of Marengo, True will take steps to acquire the remainder of the Class A Shares and Class B Shares of Marengo pursuant to the compulsory acquisition provisions contained in the *Business Corporations Act* (Alberta).

True and Marengo also announced that Marengo's board of directors has been reconstituted following True's acquisition of the Marengo shares and is now comprised of nominees of True. In addition, Paul R. Baay, Gordon L. Reese, C. T. (Clint) Broughton and Todd R. Klippenstein have been appointed as officers of Marengo.

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

See number 4 above.

6. **Reliance on Confidentiality Provision:**

N/A

7. **Omitted Information:**

N/A

8. **Senior Officer:**

For further information, please contact:

Paul R. Baay or Todd R. Klippenstein
Tel: (403) 266-8670 Fax: (403) 264-8163

9. **Statement of Senior Officer:**

The foregoing accurately discloses the material change referred to in this report.

DATED March 1, 2001, at the City of Calgary, in the Province of Alberta.

TRUE ENERGY INC.

Per: (signed) Paul R. Baay
Paul R. Baay
President and Chief Executive Officer

cc: Canadian Venture Exchange
cc: The Toronto Stock Exchange