

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Canoel International Energy Ltd. (the "Company")
Suite 207, 525 – 11th Avenue SW
Calgary, AB T2R 0C9

2. Date of Material Change

June 25, 2009

3. News Release

A news release was issued by the Company on June 25, 2009.

4. Summary of Material Change

The Company announced changes to its Board of Directors.

5. 5.1 Full Description of Material Change

The Company announced that the Board has elected Mr. Francesco Zofrea to its Board of Directors. Mr. Zofrea who resides in Italy is currently the Chairman of ENI POWER Spa, the electricity producing arm of ENI, the Italian based oil company, which is one of the world's largest international energy companies. ENI operates in the oil and gas, electricity generation and sale, petrochemicals, oilfield services construction and engineering industries.

Mr. Zofrea began his career at Agip, an ENI subsidiary, 42 years ago and has served in many different roles within the company over the years. He served for 12 years as the Managing Director of Agip Petroli Spa, the largest company within the ENI group and for 10 years he was President and CEO of Enitecnologie S.p.a., the Group's research company, before becoming the Chairman of Eni Power. He has a degree in Chemical Engineering from the University of Rome. Additionally, Mr. Zofrea has been a member of the board of a number of other companies and has been a speaker at many international conventions on various aspects of the oil industry.

Canoel also announced that at its Annual General Meeting on the 23rd of June 2009 Mr. Dario Sodero, a Canadian citizen, was elected to the Board. Dario Sodero has 35 years experience in oil & gas exploration industry in areas such western Canada, the sub-arctic and north Africa. He is the CEO & President of Cygam Energy Inc, a company based in Calgary and listed on the TSXV.

The board consists today of James Grossman, Jose Ramon Lopez Portillo, Emmanuel Olympitis, Luigi (Gino) Regis Milano, Andrea Cattaneo, Dario Sodero and Francesco Zofrea.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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**

The following is the full name and business telephone number of an executive officer of the Company who is knowledgeable about the contents of this material change and this report:

Andrea Cattaneo
Chief Executive Officer and President
Telephone: (403) 629-9799

9. **Date of Report**

June 25, 2009