

MATERIAL CHANGE REPORT

1. **Reporting Issuer:**

PanTerra Resource Corp. ("**PanTerra**" or the "**Corporation**")
Suite 260, 603 - 7th Avenue S.W.
Calgary, Alberta T2P 2T5

2. **Date of Material Change:**

July 14, 2010

3. **News Release:**

A press release announcing the material change was issued by PanTerra on July 14, 2010 and disseminated through the facilities of Canada Newswire.

4. **Summary of Material Change:**

PanTerra announced that it closed the first tranche of its previously announced financing of up to 5,000,000 units (the "Units") at a price of \$0.20 per Unit and up to 4,000,000 common shares to be issued on a "flow-through" basis at a price of \$0.25 per share (the "Flow-Through Shares") for total gross proceeds of up to \$2,000,000.00 (the "Offering").

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

5.1 Full Description of Material Change

Each Unit consists of one (1) common share (a "Common Share") in the capital of the Corporation and one half of one (1/2) common share purchase warrant (a "Warrant"). Each whole Warrant will entitle the holder to purchase one Common Share of the Corporation at an exercise price of \$0.40 for a period of twenty-four (24) months from the closing of the Offering. Upon the expiration of the mandatory hold period, in the event the common shares of the Corporation close for 30 consecutive days at a price of CDN \$0.65 or above per common share, the Corporation shall have the right to require conversion of the Warrants at the exercise price therefor.

The first tranche consisted of 1,070,000 Units and 800,000 Flow Through Shares for gross proceeds of \$414,000. The proceeds from the first closing will be used by PanTerra to proceed with a seismic acquisition program in the province of Saskatchewan, which will take place immediately. The seismic will be shot to determine the viability of a Devonian anomaly on PanTerra lands following recently announced activity near Company lands.

In connection with the first closing of the Offering, MGI Securities Inc., was paid a cash commission of \$31,120 and received 141,600 agent's compensation option. Each agent's compensation option consists of an option to acquire one Unit at a price of \$0.20 per Unit. The second closing of the Offering is expected to occur on July 27, 2010.

All securities issued under the first closing of the Offering are subject to a statutory hold period until November 15, 2010.

5.2 Restructuring Transaction

Not applicable.

6. **Reliance on Confidentiality Provisions:**

Not Applicable

7. **Omitted Information:**

Not Applicable

8. **Executive Officer:**

Fred P. Rumak
President and Chief Executive Officer
(403) 261-5900

9. **Date of Report:**

July 22, 2010