

NOTICE OF DEFAULT

(THE “NOTICE”)

FROM: PROBE RESOURCES LTD.

(the “Company”)

TO: BRITISH COLUMBIA SECURITIES COMMISSION

(the “Principal Regulator”)

AND TO: ALBERTA SECURITIES COMMISSION

**RE: Request for Management Cease Trade Order to be granted to the Company
by the Principal Regulator**

The Company will not be able to file its annual audited financial statements for the year ended August 31, 2007 (the “Statements”) within the prescribed time limits. The principal reason for the delay in finalizing the financial statements is the Company’s oil and gas interests went into production during 2007 which resulted in significant activity which its auditors require additional time in reconciling. The delay is not owing to any action or inaction on the part of the Company.

The Company expects to file the Statements by January 31, 2008 and in any event no later than February 29, 2008, which is the date that is two months after the original filing deadline for the Statements. The Principal Regulator may impose an issuer Cease Trade Order (“CTO”) if the Statements are not filed by February 29, 2008.

Default Status Reports

A CTO may be imposed sooner than February 29, 2008 if the Company fails to file the necessary Default Status Reports on a bi-weekly basis. The Company fully intends to comply with the reporting requirements of the Default Status Report including the disclosure of:

1. Any material changes in the information contained in this Notice;
2. Details of any failure by the Company to fulfil its stated intentions on this Notice;
3. Any actual or anticipated default of a financial statement filing requirement subsequent to the disclosure in this Notice; or
4. Any other material information concerning the affairs of the Company that have not been generally disclosed.

Other Disclosure Requirements

The Company will disclose particulars of any insolvency proceedings it may be subject to during the period of default, including the nature and timing of information that is required to be provided to creditors. At the same time, the Company will file Material Change Reports containing the same information provided to creditors.

The Company will disclose other material information concerning the affairs of the Company that have not been generally disclosed.

The Company understands that Default Status Reports must be filed on a bi-weekly basis, regardless of the fact that no material fact or change may have come to light, or other disclosure requirement, as set out above, may not have occurred during the default period.

Dated effective the 19th day of December, 2007.

PROBE RESOURCES LTD.

By: /s/ Desmond M. Balakrishnan
Name: Desmond M. Balakrishnan
Title: Director