

**FORM 51-102F3**  
**Material Change Report**

**1. Name and Address of Company:**

Marksman Energy Inc. (the “**Company**” or “**Marksman**”)  
Suite 500, 400 - 3rd Avenue S.W.  
Calgary, AB T2P 4H2

**2. Date of Material Change(s):**

August 23, 2024

**3. News Release:**

A news release relating to the material changes described herein was released via the facilities of Globe Newswire on August 23, 2024.

**4. Summary of Material Change(s):**

Marksman announced that it completed the closing of its previously announced non-brokered private placement of units of Marksman.

Marksman further announced the filing of an early warning report.

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

**5.1 Full Description of Material Change**

Marksman announced that it completed the closing of its previously announced non-brokered private placement of units (the “**Units**”) of Marksman (the “**Offering**”). The Company issued 19,325,000 Units at a price of \$0.01 per Unit for aggregate gross proceeds of \$193,250. Each Unit is comprised of one (1) common share (“**Common Share**”) and one (1) share purchase warrant (“**Warrant**”) of Marksman. Each whole Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.05 per share expiring two (2) years from the date of issuance, subject to acceleration provisions (see news release dated May 10, 2024).

Marksman paid no cash commissions pursuant to the Offering and intends to use the gross proceeds of \$193,250 in the following order to: (i) undertake projects as recommended by a consultant to optimize production of all wells in Pickaway County, Ohio (\$50,000 (26%)); (ii) undertake a technical review and due diligence on oil and gas opportunities in Alberta (\$60,000 (31%)); and (iii) the remainder for working capital (\$83,250 (43%)).

The technical review and due diligence on oil and gas opportunities in Alberta is close to complete and the Company is pleased with the progress being made to determine the best path forward for Marksman. One project that the Company is focusing on is a low-risk project in partnership with an energy company in Alberta. Marksman would be a non-operator, working interest partner. The project involves restarting or recompleting existing wells with no drilling required. It includes a number of wells, existing pipeline infrastructure and a gas processing facility.

Completion of the Offering is subject to regulatory approval including, but not limited to, the approval of the TSX Venture Exchange Inc. The securities issued are subject to a four month and one day hold period from the date of issuance.

## **Related Party Participation in the Private Placement**

Insiders subscribed for an aggregate of 14,650,000 Units in the Offering for a total of 75.81%. As insiders of Marksmen participated in the Offering, it is deemed to be a “related party transaction” as defined under Multilateral Instrument 61-101-*Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

Neither the Company, nor to the knowledge of the Company after reasonable inquiry, a related party, has knowledge of any material information concerning the Company or its securities that has not been generally disclosed.

Pursuant to the Offering, Glenn Walsh subscribed for 5,750,000 Units indirectly through his wholly owned company Conex Services Inc., for a subscription of \$57,500, which brings his total percentage of ownership of the Common Shares to 18.38% (21.09% on a diluted basis).

The Offering is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 (pursuant to subsections 5.5(c) and 5.7(1)(b)) as it was a distribution of securities for cash and neither the fair market value of the Units distributed to, nor the consideration received from, interested parties exceeded \$2,500,000. The Offering was approved by the board of directors of the Corporation, including all of the directors that did not subscribe to the Offering.

The Company did not file a material change report more than 21 days before the expected closing of the Offering because the details of the participation therein by related parties of the Company were not settled until shortly prior to the closing of the Offering and the Company wished to close on an expedited basis for business reasons.

## **Early Warning Report**

In connection with the closing of the Offering, the Company issued 5,750,000 Units to Conex Services Inc., a company wholly owned by Mr. Glenn Walsh, for total consideration of \$57,500.

As at the date of Mr. Walsh's previously filed early warning report of February 10, 2023, Mr. Walsh held, directly and indirectly, 33,112,881 Common Shares representing 17.66% of the issued and outstanding Common Shares on an undiluted and diluted basis. Immediately before the Closing of the Offering, Mr. Walsh held, directly and indirectly, 33,112,881 Common Shares representing 17.24% of the issued and outstanding Common Shares and 1,500,000 Warrants (34,612,881 Common Shares representing 18.02% of the issued and outstanding Commons Shares assuming the exercise of the Warrants).

Immediately after the closing of the Offering, Mr. Walsh held, directly and indirectly, 38,862,881 Common Shares representing 18.38% of the issued and outstanding Common Shares and 7,250,000 Warrants (46,112,881 Common Shares representing 21.09% of the issued and outstanding Common Shares assuming the exercise of the Warrants). The increase in Mr. Walsh's diluted shareholdings triggered the requirement to file the early warning report.

Mr. Walsh intends to increase or decrease his holdings in the Issuer depending on market conditions and as circumstances warrant.

A report respecting this acquisition will be filed with the applicable securities commissions using the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) and will be available for viewing on the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:**

Not applicable.

**7. Omitted Information:**

Not applicable.

**8. Executive Officer Knowledgeable of Material Change:**

John McIntyre, Chief Financial Officer  
Marksmen Energy Inc.  
(403) 265-7270

**9. Date of Report:**

September 5, 2024