

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 – Name and Address of Company

ROK Resources Inc.
1911 Broad Street
Regina, SK S4P 1Y1

Item 2 - Date of Material Change

December 16, 2022

Item 3 – News Release

News releases were disseminated through ACCESSwire on December 19, 2022.

Item 4 - Summary of Material Change

On December 19, 2022, ROK Resources Inc. (“**ROK**” or the “**Company**”) announced the signing of an asset exchange agreement for producing oil and gas assets in Saskatchewan.

Item 5.1 - Full Description of Material Change

On December 19, 2022 ROK announced that it had entered into an Asset Exchange Agreement (the “**Acquisition**”) to acquire certain oil and gas assets (the “**Assets**”), consisting of approximately 1,500 Boepd (69% Liquids), in Southeast Saskatchewan from an Intermediate Energy Producer (“**Intermediate Energy Producer**”) in exchange for total consideration of: (i) \$26.5 million CAD in cash, before adjustments (the “**Cash Consideration**”), and (ii) an asset divestiture to an Intermediate Energy Producer of the Company’s non-core assets, consisting of approximately 475 Boepd (100% Liquids), in Southwest Saskatchewan (the “**Non-Core Assets**”).

Core Area Acquisition

The Assets, located in the Pinto, Steelman and Gainsborough areas of Southeast Saskatchewan, are currently producing approximately 1,500 boe/d (69% liquids) of low-decline, liquid-weighted production, primarily producing from the Midale formation. The Assets include 59,435 gross (48,720 net) acres of land, which contain 80+ gross (65+ net) booked drilling locations and generate an operating netback of approximately \$40/boe CAD at \$US80/bbl WTI.

Based on a McDaniel & Associates engineering report dated September 1, 2022, the Assets have a before-tax Total Proved (“**TP**”) net present value (“**NPV**”) _{10%} of approximately \$96 million and a before-tax Total Proved Plus Probable (“**TPP**”) NPV _{10%} of approximately \$155 million.

Non-Core Area Disposition

The Non-Core Assets being sold to an Intermediate Energy Producer include approximately 475 bbls/d (100% liquids) of production in the Butte area of Southwest Saskatchewan, including non-operated interests in the Butte Voluntary Unit, Bone Creek Unit and Eagle Lake Unit. ROK’s average working interest in the Non-Core Assets is 15%, with the balance primarily owned and operated by the Intermediate Energy Producer.

Senior Loan Facility

In connection with the Acquisition, ROK entered into a commitment letter (the “**Commitment Letter**”) with respect to a senior secured loan facility with a Canadian Chartered Bank for an aggregate principal amount of \$75 million (the “**Senior Loan Facility**”). The Senior Loan Facility is comprised of: (i) line of credit in the amount of \$22.5 million (the “**Line of Credit**”), and (ii) a term loan in the amount of \$52.5 million (the “**Term Loan**”). The Senior Loan Facility would be used to fund the Acquisition and completely payout ROK’s existing higher cost debt facility, held by Anvil Channel Energy Solutions, which is estimated at \$42 million at Closing and carries no pre-payment penalties. The Senior Loan Facility is subject to the execution of mutually acceptable credit documentation, and the satisfaction of the other customary conditions to closing, including the satisfaction of all conditions to the completion of the Acquisition.

The Acquisition has an effective date of October 1, 2022 and is expected to close on or about January 24, 2023 (“**Closing**”), subject to finalizing the Senior Loan Facility and certain customary conditions and regulatory and other approvals, including any necessary approvals of the TSXV Exchange.

Cautionary Statement Regarding Forward-Looking Information

This material change report includes certain “forward-looking statements” under applicable Canadian securities legislation that are not historical facts. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this material change report include, but are not limited to, statements with respect to the Company’s objectives, goals, or future plans with respect to pursuing the Acquisition and expectations regarding the expected results thereof. Forward-looking statements are necessarily based on several estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include but are not limited to general business, economic and social uncertainties; litigation, legislative, environmental, and other judicial, regulatory, political and competitive developments; delay or failure to receive board, shareholder or regulatory approvals; those additional risks set out in ROK’s public documents filed on SEDAR at www.sedar.com; and other matters discussed in this material change report. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this material change report, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether because of new information, future events, or otherwise.

OIL AND GAS ADVISORIES

Boe Disclosure

The term barrels of oil equivalent (“**boe**”) may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel (6 Mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in the report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.

Reserves Disclosure

All reserves information in this material change report in respect of the Core Area Acquisition was prepared by independent reserve evaluator McDaniel & Associates, effective September 1, 2022 using the reserve evaluators July 1, 2022 forecast prices and costs in accordance with National Instrument 51-101 – Standards

of Disclosure of Oil and Gas Activities (“**NI 51-101**”) and the Canadian Oil and Gas Evaluation Handbook (the “**COGE Handbook**”). All reserves information in this material change report in respect of the Non-Core Area Disposition was prepared internally by the Company using an effective date of October 1, 2022 and the reserve evaluators October 1, 2022 forecast prices and costs in accordance with NI 51-101 and COGE Handbook. All reserve references in this material change report are “Company gross reserves”. Company gross reserves are the Company’s total working interest reserves before the deduction of any royalties payable by the Company and before the consideration of the Company’s royalty interests. It should not be assumed that the present worth of estimated future cash flow of net revenue presented herein represents the fair market value of the reserves. There is no assurance that the forecast prices and costs assumptions will be attained, and variances could be material. The recovery and reserve estimates of the Assets and ROK’s crude oil, NGLs and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, natural gas and NGLs reserves may be greater than or less than the estimates provided herein.

Drilling Locations

This material change report discloses drilling locations with respect to the Assets in two categories: (i) proved locations; and (ii) un-booked locations. Proved locations are derived from the Company’s internal reserves evaluation as prepared by a member of management who is a qualified reserves evaluator in accordance with NI 51-101 and COGEH effective September 1, 2022 and October 1, 2022, and account for drilling locations that have associated proved and/or probable reserves, as applicable. Un-booked locations are internal estimates based on the Company’s assumptions as to the number of wells that can be drilled per section based on industry practice and internal review. Un-booked locations do not have attributed reserves or resources. Of the total 90 drilling locations identified herein, 81 are proved plus probable locations and 9 are un-booked locations. Un-booked locations have been identified by management as an estimation of Company’s multi-year drilling activities based on evaluation of applicable geologic, seismic, engineering, production, and reserves information assuming completion of the Acquisition. Assuming completion of the Acquisition, there is no certainty that the Company will drill all un-booked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources, or production. The drilling locations considered for future development will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the un-booked drilling locations have been de-risked by the drilling of existing wells by the vendor in relative close proximity to such un-booked drilling locations, other un-booked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.

Abbreviations

bbls/d	barrels per day
boe	barrels of oil equivalent
boe/d	barrels oil equivalent per day
NGLs	Natural Gas Liquids
Mboe	Thousands of barrels of oil equivalent
MMboe	Millions of barrels of oil equivalent
PDP	Proved Developed Producing
TP	Total Proved Reserves
TPP	Total Proved and Probable Reserves
WTI	West Texas Intermediate, the reference price paid in U.S. dollars at Cushing, Oklahoma for the crude oil standard grade

Item 5.2 – Disclosure for Restructuring Transactions

Not applicable.

Item 6 - Reliance on subsection 7.1(2) of National Instrument 51-102

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

Item 7 - Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 - Executive Officer

Jared Lukomski, Senior Vice-President, Land & Business Development, is knowledgeable about the material change and the Report and may be contacted at (306) 522-0011.

Item 9 – Date of Report

December 27, 2022.