

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. Name and Address of Company

Frontera Energy Corporation (“**Frontera**” or the “**Company**”)
333 Bay Street, Suite 1100
Toronto, Ontario
M5H 2R2

2. Date of Material Change

October 13, 2017

3. News Release

A press release concerning the subject matter of this material change report was disseminated by the Company through the facilities of CNW News Group on October 16, 2017.

4. Summary of Material Change

Frontera signed an agreement to acquire the outstanding ownership of Pacific Midstream Limited (“**PML**”) from the International Finance Corporation and funds related to the International Finance Corporation (together, the “**IFC Parties**”). Following the acquisition, Frontera will own 100% of PML.

5. Full Description of Material Change

On October 13, 2017, Frontera signed an agreement to acquire the outstanding 36.36% ownership of PML from the IFC Parties. The acquisition will enable the Company to pursue initiatives related to the reduction of, and unwinding of, various transportation commitments, including fixed rate take-or-pay arrangements. Upon closing, PML will become a consolidated entity of Frontera and will include the following entities and ownership percentages:

- Petroeléctrica de los Llanos (100% ownership);
- Oleoducto Bicentenario de Colombia S.A.S (43% ownership); and
- Oleoducto de los Llanos Orientales S.A (35% ownership).

Consideration for the acquisition will be U.S.\$225 million in cash, paid in installments over a 36-month period, plus accrued interest over unpaid amounts.

The completion of the transaction is subject to obtaining modifications to Frontera’s take-or-pay contracts, which are expected to reduce tariffs, and other customary conditions of closing. In addition, the consent of the Company’s noteholders and secured lenders is required to complete the transaction.

A copy of the agreement, in redacted form, has been filed on SEDAR and may be viewed under the Company's profile at www.sedar.com.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

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

Peter Volk
General Counsel and Secretary
(416) 362-7735

9. Date of Report

October 20, 2017