

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Item 1. Name and Address of Company

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

Item 2. Date of Material Change

June 21, 2021

Item 3. News Release

News releases were disseminated by the Company through the facilities of CNW News Group on June 18, 2021 and June 21, 2021 and subsequently filed on the Company’s SEDAR profile at www.sedar.com.

Item 4. Summary of Material Change

On June 18, 2021, the Company announced that it had received, as of 5:00 p.m. Eastern time on June 18, 2021 (the “**Early Tender Date**”), tenders and consents from holders of US\$286,599,000 (or 81.89% of the aggregate principal amount) of its outstanding 9.700% Senior Notes due 2023 (the “**Old Notes**”), pursuant to its previously announced cash tender offer and consent solicitation (the “**Tender Offer and Consent Solicitation**”). On June 21, 2021, the Company purchased all of the Old Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Date.

Also on June 21, 2021, Frontera closed its previously announced offering (the “**Offering**” and, together with the Tender Offer and Consent Solicitation, the “**Transactions**”) of US\$400,000,000 in senior unsecured notes due 2028 at a coupon rate of 7.875% (the “**New Notes**”).

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company received, as of the Early Tender Date, tenders and consents from holders of US\$286,599,000 (or 81.89% of the aggregate principal amount) of the outstanding Old Notes pursuant to the Tender Offer and Consent Solicitation. As a result of the receipt of the consents, the Company has entered into a supplemental indenture incorporating the proposed amendments, which include (i) the elimination of substantially all of the restrictive covenants and certain events of default and related provisions; and (ii) the shortening of the minimum notice period for the optional redemption of the Old Notes by the Company from 30 days to three business days.

On June 21, 2021, Frontera closed the offering of the New Notes. Certain proceeds from the offering of the New Notes were used to repurchase, at a premium, the Old Notes pursuant to the Tender Offer and Consent Solicitation. The remaining proceeds will be used to redeem the remaining outstanding Old Notes and for general corporate purposes.

Based on publicly available information, The Catalyst Capital Group Inc. (“**Catalyst**”), which manages funds (the “**Catalyst Funds**”) that hold approximately 35.8% of the common shares of the Company, exercised control or direction over US\$40,670,000 principal amount of the Old Notes. Frontera understands that the Catalyst Funds tendered all of their Old Notes pursuant to the Tender Offer and Consent Solicitation and subscribed for and purchased US\$8,000,000 principal amount of New Notes. Each of the purchase by the Company of the Old Notes held by the Catalyst Funds and the purchase by the Catalyst Funds of the New Notes is a "related party transaction" of the Company as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Transactions are exempt from the valuation and minority approval requirements of MI 61-101 pursuant to sections 5.5(a) and 5.7(a) of MI 61-101, respectively, as at the time the Transactions were agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the Transactions, insofar as it involves interested parties, exceeded 25% of the Company’s market capitalization (as determined in accordance with MI 61-101).

The Transactions were approved by the board of directors of the Company (the “**Board**”) at a meeting of the Board on June 6, 2021, with Mr. Gabriel de Alba, the Chairman of the Board and the managing director and partner of Catalyst, declaring his “disclosable interest” in the Transactions under the *Business Corporations Act* (British Columbia) and abstaining from voting. No materially contrary view or other abstention was expressed or made by any director of the Company in respect of the Transactions. The participation by the Catalyst Funds in the Transactions is not expected to have a material effect on the Company’s business and affairs. The Company did not file the material change report more than 21 days before the expected closing date of the Transactions as the details of the Transactions and the participation therein by the Catalyst Funds were not confirmed until shortly prior to the closing of the respective Transactions.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7. Omitted Information

Note applicable.

Item 8. Executive Officers

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

Alejandro Piñeros Ospina
Chief Financial Officer
Tel: +57 1 5112000

Item 8. Date of Report

June 30, 2021