

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Lund Enterprises Corp.
300 - 1055 West Hastings Street
Vancouver, BC V6E 2E9
(the "Company")

Item 2 Date of Material Change

November 7, 2018

Item 3 News Release

The news release was disseminated on November 7, 2018.

Item 4 Summary of Material Change

On November 7, 2018, the Company and 1163631 B.C. Ltd. ("116") announced the entering into of an arm's length, non-binding letter of intent (the "LOI") pursuant to which Lund will acquire all of the issued and outstanding shares in the capital of 116 pursuant to a reverse-takeover transaction (the "RTO").

In connection with, and as a condition to, completing the RTO, 116, a non-reporting British Columbia company, will complete a restructuring with a group of related companies ("Reconnaissance"), the effect of which will be that 116 will indirectly own the equity interest of Reconnaissance Energy Namibia Pty Ltd ("REN"). REN currently holds a 90% interest in the exploration licence (the "Licence") granted by the Government of the Republic of Namibia and the National Petroleum Corporation of Namibia ("NAMCOR") covering 6.3 million acres of oil & gas exploration properties in Blocks 1719, 1720, 1721, 1819, 1820 and 1821 in the Owambo Basin of northern Namibia, subject to a 10% carried interest in favour of NAMCOR.

Item 5 Full Description of Material Change

See attached news release.

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

Not Applicable

Item 7 Omitted Information

None

Item 8 Executive Officer

For more information, please contact Chet Idziszek, Chairman, President and CEO,
Telephone: 604 331-8772

DATED: November 16, 2018

LUND ENTERPRISES CORP. ENTERS INTO LETTER OF INTENT WITH RECONNAISSANCE GROUP FOR REVERSE TAKEOVER

NOT FOR DISSEMINATION OR DISTRIBUTION IN OR INTO THE UNITED STATES OF AMERICA OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATES OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA.

VANCOUVER, Canada, November 7, 2018 - Lund Enterprises Corp. (TSXV: LEN), (the "**Company**" or "**Lund**") and 1163631 B.C. Ltd. ("**116**") are pleased to announce the entering into of an arm's length, non-binding letter of intent (the "**LOI**") dated November 7, 2018 pursuant to which Lund will acquire all of the issued and outstanding shares in the capital of 116 pursuant to a reverse-takeover transaction (the "**RTO**").

In connection with, and as a condition to, completing the RTO, 116, a non-reporting British Columbia company, will complete a restructuring with a group of related companies ("**Reconnaissance**"), the effect of which will be that 116 will indirectly own the equity interest of Reconnaissance Energy Namibia Pty Ltd ("**REN**"). REN currently holds a 90% interest in the exploration licence (the "**Licence**") granted by the Government of the Republic of Namibia and the National Petroleum Corporation of Namibia ("**NAMCOR**") covering 6.3 million acres of oil & gas exploration properties in Blocks 1719, 1720, 1721, 1819, 1820 and 1821 in the Owambo Basin of northern Namibia, subject to a 10% carried interest in favour of NAMCOR.

Proposed Transaction

Under the terms of the LOI, the RTO is expected to be completed by way of a share exchange (or such other form of transaction determined by the legal and tax advisors to each of Lund and 116, acting reasonably) pursuant to which the shareholders of 116 (the "**116 Shareholders**") will exchange all of their common shares of 116 (the "**116 Shares**") for common shares of Lund (the "**Lund Shares**") on the basis of one Lund Share for each 116 Share, resulting in 116 becoming a wholly-owned subsidiary of Lund. Upon completion of the RTO, Lund will change its name to "Reconnaissance Energy Africa Ltd." (the "**Resulting Issuer**"). The Resulting Issuer will carry on the business of Reconnaissance upon completion of the RTO.

Prior to the effective time of the RTO, Lund will complete a consolidation of its issued and outstanding common shares on the basis of one common share for each then outstanding two common shares (the "**Consolidation**").

The LOI also contemplates that, following the Consolidation and in conjunction with the RTO, the Resulting Issuer shall complete a non-brokered private placement (the "**Concurrent Financing**") of units (the "**Units**") at a price of \$0.20 per Unit (based on Lund's closing price of \$0.13 per common share on November 6, 2018 and taking into account the proposed Consolidation) for aggregate gross proceeds of \$3,000,000. Each Unit shall consist of one Resulting Issuer common share and one half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant shall be exercisable into one common share of the Resulting Issuer at an exercise price of \$0.50 for a period of 24 months following completion of the RTO and Concurrent Financing. Notwithstanding the foregoing, if the closing price of the Resulting Issuer's common shares on the TSX Venture Exchange ("**TSXV**"), or such other Canadian stock exchange on which the Resulting Issuer's common shares are then principally traded, is equal to or exceeds \$1.00 per share for a period of five consecutive trading days,

the Resulting Issuer may, at its option, accelerate the expiry of the Warrants by giving notice to the holders thereof. Upon the delivery of such notice, the holders of the Warrants will have 30 calendar days to exercise the Warrants, failing which the Warrants will automatically expire.

The proceeds of the Concurrent Financing are expected to be used towards the exploration of the properties under the Licence and for general corporate purposes of the Resulting Issuer. Lund may pay finder's fees to arm's length finders in connection with the Concurrent Financing in accordance with the policies of the TSXV. The shares issued by Lund pursuant to the Concurrent Financing will be subject to a hold period of four months and one day from the closing date of the Concurrent Financing.

Upon completion of the RTO and the Concurrent Financing, and after giving effect to the Consolidation, it is anticipated that there will be approximately 59,284,263 common shares of the Resulting Issuer issued and outstanding and the shareholders of 116 will hold approximately 65% of the outstanding common shares of the Resulting Issuer. On a fully diluted basis, assuming all of the Warrants are exercised, it is anticipated that there would be approximately 66,784,263 common shares of the Resulting Issuer issued and outstanding and the shareholders of 116 would hold approximately 58% of the outstanding common shares of the Resulting Issuer.

The LOI contemplates that Lund and 116 will promptly negotiate and enter into a definitive agreement (the "**Definitive Agreement**") on substantially the terms and conditions set out in the LOI, together with such other documents that may be required to affect such filings and applications as are required in order to more fully execute the terms of the RTO.

The LOI includes standstill provisions, under which Lund and 116 have agreed not to solicit or engage in any inquiries regarding any merger, amalgamation, share exchange, business combination, takeover, sale or other material disposition or similar transaction until such time as the LOI or any definitive agreement is terminated in accordance with its terms.

The LOI was unanimously approved by the board of directors of each of Lund and 116.

In addition to shareholder approvals, the RTO is subject to the receipt of certain regulatory and stock exchange approvals and the satisfaction of other conditions customary for transactions of this nature.

It is anticipated that after completion of the RTO and the Concurrent Financing, the Resulting Issuer will qualify as a Tier 2 Oil & Gas issuer pursuant to the requirements of the TSXV. If completed, the RTO will constitute a reverse takeover and a change of business of Lund (as such terms are defined in the TSXV's corporate finance manual).

None of the securities to be issued have been or will be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and any securities issued in the RTO and Concurrent Financing are anticipated to be issued in reliance upon the exemption from such registration requirements provided by Section 3(a)(10) of the U.S. Securities Act and applicable exemptions under state securities laws. This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Information about the Resulting Issuer

Upon completion of the RTO, the board of directors of the Resulting Issuer is expected to comprise three members, as follows:

- (i) Jay Park, QC (currently a director and officer of 116);
- (ii) Chet Idziszek (currently a director and officer of Lund);
- (iii) James Granath (as an independent director)

Management of the Resulting Issuer is expected to comprise Jay Park as Chief Executive Officer, Ian Brown as Chief Financial Officer (currently the Chief Financial Officer of Lund) and Liz Anderson as Corporate Secretary (currently the Corporate Secretary of Lund).

J. Jay Park, QC, Chief Executive Officer and Director

Jay Park is an energy lawyer with over 35 years of experience advising on oil and gas projects. He has advised oil companies, governments, state oil companies and investors on upstream oil & gas transactions, contracts, laws and regulations in over fifty countries. Mr. Park has served as a director or officer or both of a number of oil and gas companies with operations in Africa, including as Chairman and director of Voyageur Oil and Gas Corporation, which explored the Borj El Khadra Sud block in Tunisia (farmed out to Anadarko) and as a director of Caracal Energy Inc. with oil producing assets in the Doba basin of Chad (acquired by Glencore International). He has advised oil and gas companies regarding petroleum operations in the following African states: Algeria, Chad, DR Congo, Egypt, Ethiopia, Kenya, Libya, Madagascar, Namibia, Senegal, Sudan, Tunisia, and Uganda. Jay has provided oil and gas legislation and contract advice to governments and state oil companies in the following African states: Angola, Nigeria, Somalia, South Sudan, and Tanzania, and advised the African Petroleum Producers Association (an organization comprised of eighteen African governments having over 90% of Africa's oil and gas production) regarding model petroleum laws and contracts. Mr. Park was designated Queen's Counsel in 2011.

Chet Idziszek, Director

Mr. Idziszek holds a Master's degree in Geology and has over 40 years experience in the mineral exploration industry. In 1990, Mr. Idziszek received the "Mining Man of the Year" award in recognition of his vital role in the discovery and development of the Eskay Creek gold deposit in Canada, as well as the prestigious "Prospector of the Year Award for 1994" in recognition of the major role he played in the discovery and development of the Eskay Creek gold deposit, as well as for his leadership of Adrian Resources Ltd. during its exploration and development of the Petaquilla copper-gold-silver-moly deposits in the Republic of Panama. He also served as director of Arequipa Resources Ltd., which discovered the Pierina gold deposit that was subsequently acquired by Barrick Gold Corp. in mid-1996 for more than \$1 billion. From 2003 to 2013 Mr. Idziszek, as CEO of Oromin Explorations Ltd., oversaw an exploration program in the Republic of Sénégal in West Africa which established indicated resources in excess of 3.7 million ounces of gold.

Dr. James Granath, Director

Dr. Granath is a structural geologist with extensive knowledge of African geology and petroleum exploration. His expertise lies in seismic interpretation and integration with structural analysis, fracture analysis, regional synthesis, and prospect and play evaluation. Dr. Granath spent 18 years with Conoco Inc. in research, international exploration, and new ventures, much of it in East and Northern Africa. In 1999 he opened a consulting practice focused on structural geology and tectonics as applied to exploration problems and worked on projects in some 40 countries around the world,

including many African states. He is the author of numerous research papers including several on the structure and tectonics of central and southern Africa. Recently, he was part of the technical committees for the “African Energy & Technology Conference”, an AAPG/SPE meeting in Nairobi, December 2016, and for an AAPG Technical Workshop in Marrakesh, entitled “Paleozoic Hydrocarbon Potential of North Africa” in November 2017. He is a member of AAPG, AGU, GSA, and RMAG, and a certified petroleum geologist. He holds his PhD from Monash University in Australia, and a BS and MS from of University of Illinois at Champaign-Urbana.

Ian Brown, Chief Financial Officer

Mr. Brown is a Chartered Professional Accountant with over 39 years experience as a financial executive in the mineral exploration industry. He has extensive experience in public company financial reporting and governance, and in major transactions, including asset and corporate acquisitions and divestitures, and in graduation to senior exchanges.

Liz Anderson, Corporate Secretary

Liz Anderson has worked in the mineral exploration industry as a senior corporate administrator and/or Corporate Secretary for more than 30 years. Prior to that she worked as an administrative officer for a securities regulatory agency. She is familiar with critical aspects of the corporate secretarial role including regulatory and administrative filings for both routine and complex matters, conducting ordinary and extraordinary shareholder proceedings, and liaison with regulatory agencies, transfer agents, investor relations advisors and directly with shareholders.

Conditions of Completion

The conditions to completion of the RTO include, but are not limited to:

- Execution of the Definitive Agreement and any other ancillary agreements required to complete the RTO;
- The approval by Lund shareholders of the RTO and the Consolidation and the other matters to be more fully described in the Circular to be prepared in connection with the RTO;
- Receipt of all requisite regulatory, corporate and third party approvals, including the approval and acceptance of the TSXV;
- Completion of the Concurrent Financing;
- Completion of the 116 restructuring transactions with Reconnaissance;
- Completion of the Consolidation;
- Lund shall change its name to “Reconnaissance Energy Africa Ltd.” or such other name acceptable to the TSXV;
- Absence of any material adverse change of Lund or the Reconnaissance group; and

- The Resulting Issuer being in compliance with the initial listing requirements of the TSXV.

Sale of Mining Assets

Lund also announces that, in connection with the proposed RTO, it is endeavouring to sell or option its interest in the Black Fox Property for such consideration deemed reasonable by the board of directors of Lund.

About the Parties

Lund

Lund is a junior exploration company established in 1978 focussed on the search for gold and base metal deposits in highly prospective mineral districts of Canada. Lund owns a 100% interest in the Black Fox Property within the Schreiber-Hemlo Greenstone Belt in the Province of Ontario, host to the world-class Hemlo gold deposits. Readers are referred to the section “Sale of Mining Assets” above.

116 / Reconnaissance

116 is a privately-held British Columbia incorporated company. In connection with the proposed Transactions, 116 will become the sole shareholder of Reconnaissance, and will indirectly have a 90% interest in the Licence (with the remaining 10% held by NAMCOR, the state oil company of Namibia). The Licence covers certain oil & gas exploration properties in Blocks 1719, 1720, 1721, 1819, 1820 and 1821 in the newly identified Owambo Basin of northern Namibia with a total area of approximately 6.3 million acres and entitles Reconnaissance to a twenty-five year production licence upon successful discovery.

Reconnaissance acquired a high resolution magnetic survey interpreted by Earthfield Technology (Houston) which has confirmed Reconnaissance’s geological interpretation of a deep (up to 30,000 feet) sedimentary basin on the Licence area. The initial work program is designed to confirm the presence of an active petroleum system in the Owambo basin. Based on success of the initial work program, the Company will then work to establish conventional and unconventional hydrocarbons in commercial quantities. With extensions, Reconnaissance has five years remaining on its exploration licence.

The fiscal terms applicable to a production licence in Namibia are attractive, featuring a five percent royalty, thirty-five percent corporate income tax, additional profits tax and a ten percent carried interest for NAMCOR. Namibia has earned the reputation as a politically stable democratic state with a transparent petroleum regime.

The table below sets out certain selected financial information regarding Reconnaissance for the year ended December 31, 2017. The selected information was prepared in accordance with International Financial Reporting Standards. All figures are in Canadian Dollars.

As at December 31, 2017 (unaudited)	
Total Assets	\$98,097
Total Liabilities	\$769,652
Revenues	\$0
Net Profit/(Loss)	\$(237,452)

Arm's Length Transaction

Lund is at arm's length with 116 and the Reconnaissance companies, and no director, officer or insider of Lund beneficially owns, or controls or directs, directly or indirectly, any common shares of 116.

At this time to the knowledge of the prospective directors and executive officers of the Resulting Issuer, upon completion of the RTO, Concurrent Financing and Consolidation, no person or company beneficially will own, or control or direct, directly or indirectly, common shares of the Resulting Issuer carrying in excess of 10% of the voting rights attached to all outstanding common shares of the Resulting Issuer (on an undiluted basis) other than: Craig Steinke (directly and indirectly), 17.6%; and David Elliot (directly and indirectly), 11.0%.

Sponsorship

Sponsorship may be required by the TSXV unless waived in accordance with TSXV policies. Lund intends to apply to the TSXV for a waiver of such sponsorship requirements; however, there is no assurance that Lund will ultimately obtain this waiver. Lund will include any additional information regarding sponsorship in a subsequent press release.

Further Information

Further information regarding the RTO and Concurrent Financing will be included in subsequent press releases and the management information circular (the "**Circular**") that Lund will prepare, file and mail in due course to its shareholders in connection with the shareholders meeting to be held to consider and approve, among other things, the RTO. Any material agreements will be filed on the SEDAR profile of Lund on the SEDAR website at www.sedar.com.

Completion of the RTO is subject to a number of conditions, including but not limited to, TSXV acceptance and requisite shareholder approval. The RTO cannot close until the requisite shareholder approval is obtained. There can be no assurance that the RTO will be completed as proposed, or at all.

Investors are cautioned that, except as disclosed in the Circular to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of Lund should be considered highly speculative and will remain halted until further notice.

The TSXV has in no way passed upon the merits of the RTO and has neither approved nor disapproved the contents of this press release.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

For further information contact:

Lund Enterprises Corp.
Chet Idziszek
President and Chief Executive Officer
Tel: 604-331-8772

Cautionary Statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Lund's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the RTO, obtaining the requisite approval of the TSXV, the Concurrent Financing, the Consolidation and the sale or option of Lund's current mineral assets. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Lund. The material factors and assumptions include the parties to the RTO being able to obtain the necessary shareholder and regulatory approvals; TSXV policies not changing; and completion of satisfactory due diligence. Risk factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things: conditions imposed by the TSXV, the failure to obtain any required shareholders' approval to the RTO; changes in tax laws, general economic and business conditions; and changes in the regulatory regulation. Lund cautions the reader that the above list of risk factors is not exhaustive. The forward-looking information contained in this release is made as of the date hereof and Lund undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.