

FORM 51-102F3

Material Change Report

1. Name and Address of Company:

Avanti Energy Inc.
P.O. Box 10322, Pacific Centre
Suite 810 – 609 Granville Street
Vancouver, BC V7Y 1G5

(the "Company")

2. Date of Material Change:

November 21, 2018

3. News Release:

A news release was disseminated on November 21, 2018 and was subsequently filed on SEDAR.

4. Summary of Material Change:

Avanti Energy Inc announces that the Company's wholly owned subsidiary, CMI Energia srl, titleholder and operator of the Colle Santo permit in the Abruzzo Region of Italy, was formally notified by the Ministry of Environment (the "MoE") of a "rejection warning" under law 241/90 being issued by the VIA Commission (the evaluation arm of the MoE) regarding CMI's application to development its natural gas reserves at Colle Santo.

5. Full Description of Material Change:

Vancouver, British Columbia, November 21, 2018 – Avanti Energy Inc. (TSXV: AVN) ("Avanti" or the "Company") announces that the Company's wholly owned subsidiary, CMI Energia srl, titleholder and operator of the Colle Santo permit in the Abruzzo Region of Italy, was formally notified by the Ministry of Environment (the "MoE") of a "rejection warning" under law 241/90 being issued by the VIA Commission (the evaluation arm of the MoE) regarding CMI's application to development its natural gas reserves at Colle Santo.

In this regard and under Article 10b of the same law, CMI has the right to respond to the MoE within a prescribed period, which it is currently doing now. Upon expiration of the response period at the end of this month, and after receiving CMI's rebuttal, the MoE may request further evaluation by its VIA Commission or proceed with a final decision.

The primary reason given for the negative warning by the MoE was the potential risk of induced seismic activity that might result from the normal production of natural gas from Colle Santo in relation to a possible deep fault located within the Region at an estimated depth of 8 – 18 kilometers below surface.

Avanti president Karl Kottmeier commented, "I am extremely disappointed by this news. Avanti

and its partners have spent over three years and millions of dollars in advancing this project to this point and we feel that the negative outcome is based on incorrect analysis and is contrary to the interests of the Italian people. The Company believes this may be the first time in the history of the oil and gas industry that a natural gas field has been denied a production concession based upon such concerns. We believe we have an excellent and valuable project and we will continue to advance the interests of our shareholders accordingly.”

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

Not applicable.

7. **Omitted Information:**

Not applicable.

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

Karl Kottmeier, CEO
Telephone: (604) 689-7422

9. **Date of Report:**

November 21, 2018

AVANTI ENERGY INC.

By: “Karl Kottmeier”
Chief Executive Officer
(Official Capacity)
Karl Kottmeier
(Please print here name of individual whose
signature appears above.)