

## ***MATERIAL CHANGE REPORT***

### **Item 1 Name and Address of Company:**

Samoth Oilfield Inc.  
#2, 64 Riel Drive  
St. Albert, Alberta T8N 4A4  
("Samoth" or the "Corporation")

### **Item 2 Date of Material Change:**

May 13, 2019

### **Item 3 News Release:**

A news release was issued by the Corporation on May 21, 2019 through Newsfile.

### **Item 4 Summary of Material Change:**

Samoth entered into an agreement to dispose of its entire portfolio of natural gas wells and related assets to a private arm's length purchaser.

### **Item 5 Full Description of Material Change:**

#### ***5.1 Full Description of Material Change***

Samoth entered into an agreement to dispose of its entire portfolio of natural gas wells and related assets to a private arm's length purchaser (the "**Purchaser**").

Pursuant to the terms of the purchase and sale agreement the Corporation has agreed to sell the assets to Purchaser in consideration for a nominal purchase price and the assumption by Purchaser of abandonment and reclamation obligations and other environmental liabilities relating to the properties. The Corporation has also agreed to a purchase price adjustment in favour of the Purchaser in the amount of \$365,100 in order to fund the deposit with the Alberta Energy Regulator ("**AER**") that the parties anticipate will be required to obtain approval for the transfer of the properties to the Purchaser.

The transaction is subject to approval of shareholders of the Corporation which will be sought at the annual and special meeting of shareholders to be held on June 10, 2019 (the "**Meeting**"). The completion of the transaction is also conditional upon the approval of the TSX Venture Exchange and the AER transfer approval.

Further information regarding the transaction will be contained in an information circular that the Corporation will file and mail to shareholders of the Corporation in connection with the Meeting.

#### ***5.2 Disclosure for Restructuring Transaction***

Not applicable.

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

Not applicable.

### **Item 7 Omitted Information:**

Not applicable.

**Item 8 Executive Officer:**

The name and business telephone number of an executive officer of the Corporation who is knowledgeable about the material change and who can be contacted is:

Leonard D. Jaroszuk  
President and CEO  
Samoth Oilfield Inc.  
Telephone: (780) 418-4400

**Item 9 Date of Report:**

May 23, 2019

**Forward-Looking Information**

*This material change report contains forward-looking information within the meaning of applicable securities laws. The use of any of the words "will", "expects", "believe", "plans", "potential" and similar expressions are intended to identify forward-looking statements or information. In particular, this material change report contains forward looking statements and information concerning the sale of the Corporation's natural gas properties. The Corporation cautions that there are no assurances or guarantees that the transaction will be completed. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, resources, production, costs and expenses; commodity price and exchange rate fluctuations; marketing and transportation; environmental risks; competition; incorrect assessment of the value of acquisitions; failure to realize the anticipated benefits of acquisitions; ability to access sufficient capital from internal and external sources; changes in legislation, including but not limited to tax laws, royalties and environmental regulations, actual production from the acquired assets may be greater or less than estimates; failure to obtain the necessary regulatory approval, stock exchange and other regulatory approvals on the timelines planned. The forward-looking statements and information contained in this material change report are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward-looking statements or information, unless so required by applicable securities laws.*