

FORM 51-102F3
Material Change Report

Item 1 Name and Address of Company

Alvopetro Energy Ltd. (“**Alvopetro**”)
Suite 1920, 215 – 9th Avenue SW
Calgary, Alberta, Canada
T2P 1K3

Item 2 Date of Material Change

September 7, 2021.

Item 3 News Release

A news release was issued on September 7, 2021 through the facilities of CISION newswire service and filed on SEDAR.

Item 4 Summary of Material Change

On September 7, 2021, Alvopetro completed its previously announced arrangement, which involved a 2,100 to 1 consolidation (the “**Consolidation**”) of the common shares in the share capital of Alvopetro (the “**Common Shares**”), followed immediately by a 1 to 700 share split (the “**Share Split**”) of the Common Shares.

Item 5 Full Description of Material Change

5.1 - Full Description of Material Change

Pursuant to a special resolution passed by holders of Common Shares (the “**Shareholders**”) on August 12, 2021, a final order from the Alberta Court of Queen’s Bench and the conditional approval of the TSX Venture Exchange (the “**TSXV**”), on September 7, 2021, Alvopetro completed its previously announced arrangement, which involved the Consolidation, followed immediately by the Share Split (the “**Share Restructuring**”).

Registered shareholders who held less than 2,100 Common Shares at the close of business on September 3, 2021 are entitled to receive a cash payment in exchange for their Common Shares equal to C\$1.12 per Common Share (the “**Cash Proceeds**”). The Cash Proceeds are based on the volume weighted average trading price of the Common Shares on the TSXV during the five consecutive trading days ending on and including September 3, 2021.

For certainty, non-registered beneficial Shareholders holding their Common Shares through a bank, broker or other intermediary may be entitled to receive Cash Proceeds, however the ability to receive such Cash Proceeds is subject to the specific procedures for processing the Share Restructuring, and the payment of the Cash Proceeds is subject to such banks, brokers or other nominees internal procedures.

Shareholders who held 2,100 Common Shares or more as of the close of business on September 3, 2021 continue to be Shareholders. No fractional Common Shares were issued as a result of the Share Restructuring. Fractional Common Shares resulting from the Consolidation were not rounded prior to the Share Split. In lieu of any fractional Common Shares, the number of Common Shares issued to Shareholders following the Share Split was rounded up to the next

greater whole number of Common Shares if the fractional entitlement was equal to or greater than 0.5 and was, without any additional compensation, rounded down to the next lesser whole number of Common Shares if the fractional entitlement was less than 0.5.

On September 7, 2021, Alvopetro filed articles of arrangement which implemented the Share Restructuring. The Common Shares began trading on a post-consolidation and split basis on the TSXV under a new CUSIP number (02255Q209) and the same trading symbol and the OTCQX® Best Market on September 7, 2021 under a the CUSIP number (02255Q209) and a temporary trading symbol (AVLOD).

In connection with the Share Restructuring, the exercise or conversion price of, and the number of Common Shares issuable under any share-based compensation plan of Alvopetro has been proportionately adjusted.

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

Not applicable.

Item 8 Executive Officer

For further information, please contact Alison Howard, Chief Financial Officer of Alvopetro, at 587.794.4224.

Item 9 Date of Report

September 14, 2021.