

FORM 51-102F3

MATERIAL CHANGE REPORT

1. NAME AND ADDRESS OF COMPANY

CanAsia Energy Corp. ("**CanAsia**")
Suite 1505, 505 – 3rd St. S.W.
Calgary, Alberta T2P 3E6

2. DATE OF MATERIAL CHANGE

May 17, 2024

3. NEWS RELEASE

A news release in respect of the material change was issued by the Corporation through Cision Canada/Newswire on May 17, 2024.

4. SUMMARY OF MATERIAL CHANGE

On May 17, 2024, CanAsia announced that its wholly-owned subsidiary Andora Energy Corporation ("**Andora**") had completed the acquisition (the "**Acquisition**") of certain assets (the "**Assets**") of Northern Alberta Oil Ltd. ("**NAOL**") and Deep Well Oil & Gas (Alberta) Ltd. ("**Deep Well**" and, together with NAOL, the "**Debtors**") from Ernst & Young Inc. (the "**Receiver**"), as receiver and manager, including the Debtors' 25% working interest in 11 sections of heavy oil sands leases in Sawn Lake, within the central Alberta Peace River Oil Sands region, for a purchase price equal to \$2 million (which includes the assumption of various obligations and a credit bid component of approximately \$0.7 million).

Following completion of the Acquisition, Andora's working interest in the 11 sections at the Sawn Lake Central block increased from 75% to 100%.

5. FULL DESCRIPTION OF MATERIAL CHANGE

On March 8, 2024, Andora applied for and received an order from the Court of King's Bench of Alberta (the "**Court**"), appointing the Receiver as receiver and manager of certain of the Debtors' present and after-acquired properties, assets and undertakings. The Court also approved a proposed sales and investment solicitation process (the "**SISP**"), which contemplated and included a stalking horse asset purchase and sale agreement (the "**Sales Agreement**") between the Debtors, by and through the Receiver, as vendors, and Andora, as purchaser.

Pursuant to the SISP, the Receiver marketed the Assets with the Sales Agreement serving as a "stalking horse bid" for the Assets. Following the receipt of a bid by the bid deadline on April 19, 2024, the Receiver conducted an auction process for the Assets on April 29, 2024. Andora participated in the auction process and was ultimately selected by the Receiver as the successful bidder. Following Andora's successful bid, Andora and the Receiver entered into an amended and restated Sales Agreement dated as of April 29, 2024 (the "**Amended and Restated Sales Agreement**").

On May 14, 2024, the Court approved the Amended and Restated Sales Agreement and the vesting of the Assets in the name of Andora upon closing. On May 17, 2024, Andora completed the Acquisition of the Assets for a purchase price equal to \$2 million (which includes the assumption of various obligations and a credit bid component of approximately \$0.7 million).

The Assets include, without limitation, the Debtors' 25% working interest in 11 sections of heavy oil sands leases in Sawn Lake, within the central Alberta Peace River Oil Sands region. Following the Acquisition, Andora's working interest in these 11 sections at Sawn Lake Central increased from 75% to 100%. Andora is now the operator of, and holds a 100% working interest in, four heavy oil sands leases with 27 sections at Sawn Lake.

6. RELIANCE ON SUBSECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

Not applicable.

7. OMITTED INFORMATION

No information has been intentionally omitted from this form.

8. EXECUTIVE OFFICER

For further information regarding this Material Change Report, contact:

Marcel Nunes
Vice President Finance and Chief Financial Officer
(403) 294-1770, ext. 229

9. DATE OF REPORT

May 17, 2024