

MATERIAL CHANGE REPORT

Item 1 – Name and Address of [Company]

Cub Energy Inc. ("Cub")
5120 Woodway Ste. 10010
Houston, TX 77056

Item 2 – Date of Material Change

June 16, 2017

Item 3 – News Release

A news release dated June 19, 2017, was issued through Canada Newswire, Marketwire on June 19, 2017.

Item 4 – Summary of Material Change

Cub entered into a loan agreement with an officer of the Company to borrow US \$1 million.

Item 5 – Full Description of Material Change

5.1 Full Description of Material Change

To help fund the purchase of a Nitrogen Rejection Unit ("NRU") in western Ukraine, Cub entered into a loan agreement with an officer of the Company, whereby Cub borrowed US \$1 million at an interest rate of rate of 6% per annum and payable monthly. The Company also issued 2.2 million common shares to the lender as a loan bonus. The loan will be repaid in four equal quarterly installments commencing September 30, 2018 and ending on June 30, 2019, and it is secured by Cub's shares in KUBGAS HOLDINGS LIMITED.

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

Patrick McGrath
Chief Financial Officer
(713) 577-1948

Item 9 – Date of Report

June 21, 2017