FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Corporation

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**")
Bow Valley Square 1
Suite 1200, 202 - 6th Avenue SW
Calgary, Alberta
T2P 2R9

Item 2 Date of Material Change

October 19, 2020

Item 3 News Release

A news release reporting the material change was issued on October 20, 2020 through the services of Regulatory News Service of the London Stock Exchange and further distributed in Canada through Market New Publishing.

Item 4 Summary of Material Change

On October 20, 2020, the Corporation announced that its wholly-owned subsidiary, Valeura Energy (Netherlands) Cooperatief U.A. ("**VEN Coop**"), had entered into a share purchase agreement (the "**Agreement**") with TBNG Limited (the "**Buyer**") to sell its subsidiaries holding Valeura's producing shallow conventional gas business for cash consideration of US$15.5 million, plus royalty payments of an additional US$1 million to US$2.5 million. (the "**Transaction**").

Item 5.1 Full Description of Material Change

On October 20, 2020, the Corporation announced that VEN Coop had entered into the Agreement with the Buyer to sell its subsidiaries holding Valeura's producing shallow conventional gas business for cash consideration of US$15.5 million, plus royalty payments of an additional US$1 million to US$2.5 million. Pursuant to the terms of the Agreement:

- the Transaction is structured as a sale of all of shares of the Corporation's wholly-owned subsidiaries, Thrace Basin Natural Gas Turkiye Corporation and Corporate Resources B.V., (the "**Companies**") which collectively hold the conventional gas business;

- the effective date of the Transaction will be July 1, 2020, and the cash consideration of US$15.5 million is subject to normal closing adjustments;

- VEN Coop will be entitled to royalty payments over a five-year period for gas sales of the Companies above a threshold price, with a minimum royalty payment of US$1.0 million up to a maximum royalty payment of US$2.5 million;

- the Buyer has paid a deposit of US$1.55 million which may be forfeited to VEN Coop as a liquidated damages amount if the Buyer breaches the Agreement and fails to close;

- the Buyer may terminate the Transaction in the case of a material adverse change or event affecting the Companies (subject to customary exclusions);

- VEN Coop may terminate the Agreement in the case of a third party proposal with respect to certain corporate transactions involving the Corporation that include as a condition thereof the retention of the Companies by VEN Coop, in which case VEN Coop will pay the Buyer a break fee of US$0.75 million, and such break fee may also be payable to the Buyer if the Buyer terminates the Transaction as result of certain actions or inactions by VEN Coop that cause termination of the Agreement or the deal not to close by the six-month outside date;

- the Companies purchased by the Buyer will retain all decommissioning and abandonment liabilities associated with the conventional gas business; and

- the closing of the Transaction is expected to occur in Q1 2021, subject to the satisfaction of certain closing conditions, including the receipt of Turkish regulatory approvals from the General Directorate of Mining and Petroleum Affairs of the Ministry of Energy and Natural Resources, the Energy Markets Regulatory Authority and the Competition Board, with an outside date for closing the Transaction of six months from the date of the Agreement (or such later date as may be mutually agreed by the parties).

The Transaction is expected to bolster Valeura's ability to execute its growth strategy through mergers and acquisitions and further appraisal of its deep gas play.

The cash consideration and royalty payment ranges represent a multiple of 1.1x to 1.2x of the proved developed reserves value of the assets comprising the producing shallow conventional gas business as of December 31, 2019 (which was based on the higher gas prices prevailing at that time). Valeura also anticipates general and administrative cost savings of at least US$1.0 million per year following completion of the Transaction.

With respect to the expected impact on Valeura's reserves, if completion of the Transaction had occurred on or before December 31, 2019, Valeura's Statement of Reserves Data and Other Oil and Gas Information contained in its annual information form for the year ended December 31, 2019 (the "**AIF**") would have been affected as follows: (a) approximately a 96.3% decrease to total proved reserves; and (b) approximately a 99.6% decrease to proved plus probable reserves. The assets comprising the producing shallow conventional gas business had produced at an exit rate sales volume of 672 boe/d for the three months ended June 30, 2020. and, following closing, the Corporation will no longer have the revenue generated from these sales.

The description of the Agreement herein is qualified in its entirety by the full text of the Agreement, a copy of which is filed on SEDAR at www.sedar.com.

Item 5.2 Disclosure For Restructuring Transactions

Not applicable.

Item 6 Reliance of Section 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officers

For more information, please contact:

Sean Guest, President and CEO
Valeura Energy Inc.
(403) 237-7102

Item 9 Date of Report:

October 23, 2020

Advisory and Caution Regarding Forward-Looking Information

Certain information included in this material change report constitutes forward-looking information under applicable securities legislation. Such forward-looking information is for the purpose of explaining management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward-looking information typically contains statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project", "target" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this material change report includes, but is not limited to: the completion of the Transaction; the total cash consideration; the Corporation's entitlement to contingent payments over a five-year period; the receipt of regulatory approvals and other governmental authorisations relating to the Transaction; anticipated timing to close the Transaction; anticipated general and administrative cost savings from the Transaction and the other anticipated benefits from the Transaction; statements with respect to the Corporation's growth strategy; and the Corporation's expectations regarding the impact of the Transaction on its Statement of Reserves Data and Other Oil and Gas Information contained the AIF. In addition, statements related to "reserves" are deemed to be forward-looking information as they involve the implied assessment, based on certain estimates and assumptions, that the products can be produced profitably in the future.

Forward-looking information is based on management's current expectations and assumptions regarding, among other things: the ability to close the Transaction on the terms described herein; the continuation of operations during the COVID-19 pandemic; political stability of the areas in which the Corporation is operating and completing transactions; continued safety of operations and ability to proceed in a timely manner; continued operations of and approvals forthcoming from the Turkish government in a manner consistent with past conduct; prospectivity of the Corporation's lands, including the deep potential; the continued favourable pricing and operating netbacks in Turkey; future production rates and associated operating netbacks and cash flow; decline rates; future sources of funding; future economic conditions; future currency exchange rates; the ability to meet drilling deadlines and other requirements under licences and leases; the ability to attract a new partner in the deep play; the ability to identify attractive merger and acquisition opportunities to support growth; and the Corporation's continued ability to obtain and retain qualified staff and equipment in a timely and cost efficient manner. In addition, the Corporation's work programmes and budgets are in part based upon expected agreement among joint venture partners and associated exploration, development and marketing plans and anticipated costs and sales prices, which are subject to change based on, among other things, the actual results of drilling and related activity, availability of drilling, high-pressure stimulation and other specialised oilfield equipment and service providers, changes in partners' plans and unexpected delays and changes in market conditions. Although the Corporation believes the expectations and assumptions reflected in such forward-looking information are reasonable, they may prove to be incorrect.

Forward-looking information involves significant known and unknown risks and uncertainties. Exploration, appraisal, and development of oil and natural gas reserves are speculative activities and involve a degree of risk. A number of factors could cause actual results to differ materially from those anticipated by the Corporation including, but not limited to: the risks of further disruptions from the COVID-19 pandemic; the risks of currency fluctuations; risks related to the volatility in global markets and commodity prices and the effect on commodity prices and economic conditions in Turkey; changes in gas prices and netbacks in Turkey; potential changes in joint venture partner strategies and participation in work programmes; uncertainty regarding the contemplated timelines and costs for the deep evaluation; the risks of disruption to operations and access to worksites; potential changes in laws and regulations, the uncertainty regarding government and other approvals, including those required for the Transaction; risks specifically associated with the timing of approvals, including those required for the Transaction; counterparty risk; risks associated with weather delays and natural disasters; and the risk associated with international activity. The forward-looking information included in this material change report is expressly qualified in its entirety by this cautionary statement. See the AIF for a detailed discussion of the risk factors.

The forward-looking information contained in this material change report is made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this material change report is expressly qualified by this cautionary statement.

Additional information relating to Valeura is also available on SEDAR at www.sedar.com.