Form 51-102F3
Material Change Report

Item 1: Name and Address of Company

LIGNOL ENERGY CORPORATION ("LEC" or the "Company")
Unit 101 - 4705 Wayburne Drive
Burnaby, BC V5G 3L1

Item 2: Date of Material Change

April 17, 2013

Item 3: News Release

The news release was issued at Vancouver, British Columbia on April 17, 2013 and disseminated via Canada Newswire.

Item 4: Summary of Material Change

On March 18, 2013, LEC announced that, further to its press release dated March 11, 2013, the convertible notes ("Notes") held by the Company and issued by Territory Biofuels Limited ("TBF") have been converted into a 40% fully diluted equity stake in TBF. LEC is now the largest shareholder in TBF, which owns a 150 million litre per year biodiesel plant and glycerine refinery located in Darwin, Australia ("Darwin Facility"). In conjunction with this transaction, two LEC executive officers and directors, Mr. Ross MacLachlan and Mr. Stephen Morris, have been appointed directors of TBF with Mr. MacLachlan assuming the role of Chairman of TBF.

Item 5: Full Description of Material Change

5.1 Full Description of Material Change

On March 18, 2013, LEC announced that announced that, further to its press release dated March 11, 2013, the convertible notes ("Notes") held by the Company and issued by Territory Biofuels Limited ("TBF") have been converted into a 40% fully diluted equity stake in TBF. LEC is now the largest shareholder in TBF, which owns a 150 million litre per year biodiesel plant and glycerine refinery located in Darwin, Australia ("Darwin Facility"). In conjunction with this transaction, two LEC executive officers and directors, Mr. Ross MacLachlan and Mr. Stephen Morris, have been appointed directors of TBF with Mr. MacLachlan assuming the role of Chairman of TBF.

On March 11, 2013, LEC announced it had subscribed for convertible notes with a principal value of A$1.18 million issued by TBF, and signed a Technology Collaboration Agreement that included a package of technical and further assistance to aid in the restart of TBF's plant. The terms of the Notes provided for conversion into an equity position for LEC of between 20% to 40% in TBF, depending on a range of criteria related to the development of the Darwin Facility. The terms of the Technology Collaboration Agreement provide for technical assistance from Lignol and its partners with respect to both the restart of the facility and the potential integration of new pretreatment technologies and catalysts to facilitate the processing of a broad range of low cost feedstocks

Caution concerning forward-looking statements:
Certain statements contained in this document may constitute forward-looking information within the meaning of applicable securities laws. Such forward-looking statements or information include, without limitation, statements or information about LEC's ability to invest in, or otherwise obtain, equity interests in energy related projects which have technical and commercial synergies with the Company and which have the potential to generate future dividends and near term cash flow, TBF's ability to finance, restart and profitably operate its 150 million litre per year biodiesel plant and glycerine refinery, TBF's ability to work with strong commercial partnerships and to become a major regional player in the biodiesel market in the Pacific Rim, TBF's ability to integrate new pretreatment technologies and catalysts to facilitate the processing of a broad range of lower cost feedstocks, the successful outcome of projects undertaken under the Technology Collaboration Agreement between LEC and TBF, LEC's ability to continue as a going concern and to raise additional financing to fund the operations of LEC and Lignol Innovations Ltd. ("LIL") and to support the financing requirements of TBF, the development status of LIL's fully integrated pilot scale biorefinery in Burnaby, British Columbia, the planning and development of a commercial plant, LIL's ability to complete project deliverables which are funded in part by government agencies, obtaining strategic partnership investments and government funding for initial commercial projects. Often, but not always, forward looking statements or information can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes" or variations of such words and phrases or words and phrases that state or indicate that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Such statements or information reflect LEC's current views with respect to future events and are subject to certain risks, uncertainties and assumptions including, without limitation, our ability to establish the validity of LIL's technology at the fully integrated biorefinery pilot plant scale, LIL's ability to satisfy the conditions of existing government grants and to obtain new additional grants, our ability to continue to finance our operations and to finance and complete the development of a commercial project, LIL's ability to work with Novozymes to produce cellulosic ethanol at production costs competitive with gasoline and corn ethanol, LIL's ability to develop products and to obtain off-take agreements, LIL's ability to obtain requisite regulatory approvals and its ability to enter into agreements with strategic partners on terms acceptable to us, the inability of LEC to influence the strategy, operations and financial performance of Australian Renewable Fuels Limited ("ARW") and TBF, the reliance on publically available information of ARW in the Company's evaluation of its acquisition of shares in ARW, the potential inability to divest the ARW ordinary shares due to modest trading volumes and to divest of its TBF shares, the cost of any future ARW capital investment, the fluctuation of biodiesel and feedstock prices on ARW and TBF, the effect on ARW and TBF of changes in government policy relating to the environment, and incentives for renewable fuels, the ability of ARW and TBF to generate cash flow and pay dividends, and the ability of ARW and TBF to market their products overseas and to meet relevant regulatory requirements. Many factors could cause LEC's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements or information, including among other things, the technological challenges that remain to be surpassed in obtaining the necessary operating data from LIL's fully integrated biorefinery pilot plant that is required prior to completing the next scale-up of the technology, financial market conditions which will impact our ability to finance our operations and to finance the construction and operation of a commercial plant, the price of gasoline and demand for ethanol, the market pricing and demand for renewable chemicals, risks relating to the protection of LIL's core technology from infringement and those risk factors which are discussed elsewhere in documents that LEC files from time to time with securities regulatory authorities. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements or information prove incorrect, actual results may vary materially from those described herein as intended planned, anticipated, believed, estimated or expected. Except as required by law, the Company expressly disclaims any intention or obligation to update or revise any forward looking statements and information whether as a result of new information, future events or otherwise. All written and oral forward-looking statements and information attributable to us or persons acting on our behalf are expressly qualified in their entirety by the foregoing cautionary statements.

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

No significant facts remain confidential and no information has been omitted in this report.

Item 8: Executive Officer

Name of Executive Officer: **David Turner**
Chief Financial Officer

Telephone Number: 604-453-1241

Item 9: Date of Report

April 18, 2013