51-102F3
MATERIAL CHANGE REPORT

<u>Item 1 Name and Address of Company</u>

Pennant Energy Inc. (the "Company")
Suite 810, 609 Granville Street
Vancouver, BC V7Y 1G5

Item 2 Date of Material Change

July 18, 2013

Item 3 News Release

The news release was disseminated on July 18, 2013 through Marketwire.

Item 4 Summary of Material Change

The Company announced that it has received approval from the TSX Venture Exchange (the "**Exchange**") to the Farmout Agreement (the "**Agreement**") with Blackbird Energy Inc. ("**Blackbird**"), whereby Blackbird has agreed to allow the Company to earn a 30% working interest in certain lands and leases (the "**Farmout Lands**") owned by Blackbird in Mantario area of West Central Saskatchewan. In order to earn its 30% interest, the Company will pay to Blackbird, within 15 days of receipt of the approval of the Exchange, the following: (i) 50% of the land acquisition costs incurred to date including brokerage and transfer costs ($200,000 net estimated), and (ii) 50% of the 3D seismic program including geological and geophysical interpretation ($125,000 net estimated). In addition, the Company has agreed to pay 50% of the drilling, completing, equipping and tie-in costs of the test well to earn the working interest.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

See attached News Release.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Garth Braun, President, 604-685-7450

Item 9 Date of Report

July 18, 2013

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PENNANT ANNOUNCES RECEIPT OF APPROVAL OF FARMOUT AGREEMENT WITH BLACKBIRD ENERGY INC.

Vancouver, BC, July 18, 2013 – **Pennant Energy Inc. ("Pennant" or the "Company") (TSXV: PEN)** announces that it has received approval from the TSX Venture Exchange (the "**Exchange**") to the Farmout Agreement (the "**Agreement**") with Blackbird Energy Inc. ("**Blackbird**"), whereby Blackbird has agreed to allow the Company to earn a 30% working interest in certain lands and leases (the "**Farmout Lands**") owned by Blackbird in Mantario area of West Central Saskatchewan. In order to earn its 30% interest, the Company will pay to Blackbird, within 15 days of receipt of the approval of the Exchange, the following: (i) 50% of the land acquisition costs incurred to date including brokerage and transfer costs ($200,000 net estimated), and (ii) 50% of the 3D seismic program including geological and geophysical interpretation ($125,000 net estimated). In addition, the Company has agreed to pay 50% of the drilling, completing, equipping and tie-in costs of the test well to earn the working interest.

About Pennant Energy

Pennant's core project is the Bigstone Project and is comprised of lands and licenses covering a total of 5,120 acres (net 1,120 acres), in Township 60, ranges 22 and 23W5 at Bigstone, Alberta. By completing the terms of a farm in agreement with Donnybrook Energy Inc., Pennant earned 25 per cent of Donnybrook's interest in the Bigstone lands and in any future operations within an area of mutual interest.

PENNANT ENERGY INC.

Per: "*Garth Braun*"
Garth Braun,
President & CEO

For further information, please contact:

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