

Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

Newport Exploration Ltd.
#501-837 West Hastings Street
Vancouver, BC V6C 3N6

Item 2. Date of Material Change

December 9, 2015

Item 3. News Release

A News Release dated December 9, 2015 was filed with the TSX Venture Exchange and the British Columbia, Alberta, and Saskatchewan Security Commissions via SEDAR and disseminated through Marketwired and Market News Publishing Inc.

Item 4. Summary of Material Change

Newport Exploration Ltd. announced it has commenced legal proceedings in Australia against Great Artesian Oil and Gas Pty Limited and Beach Energy Ltd.

Item 5.1 Full Description of Material Change

See attached News Release.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

If this report is being filed on a confidential basis in reliance on subsection 7.2 (2) or (3) of National Instrument 51-102, state the reasons for such reliance.

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

Barbara Dunfield, Chief Financial Officer & Director
Telephone: (604) 685-6851

DATED at Vancouver, British Columbia, the 10th day of December 2015.

NEWS RELEASE

Trading Symbol: NWX (TSX-V)

**NEWPORT COMMENCES LEGAL PROCEEDINGS IN AUSTRALIA AGAINST GAOG
AND BEACH ENERGY**

Vancouver, British Columbia, December 9, 2015. Further to its news release of November 10, 2015, Newport Exploration Ltd. (“Newport” or “the Company”) reports that, despite numerous requests from the Company and its counsel, Great Artesian Oil and Gas Pty Limited (“GAOG”) and Beach Energy Ltd. (“Beach”) have, in Newport’s view, improperly and without any valid reason, refused to make the outstanding royalty payments in the order of AUD\$4,265,942 due to the Company for the months of February 2015 to October 2015 (the “Royalty Payments”) despite resolution of the withholding tax issue detailed in the August 31, 2015 and November 10, 2015 news releases of the Company.

Having exhausted all other means of securing receipt of the Royalty Payments to which the Company is legally entitled, including, but not limited to, making formal demand on Beach and GAOG (as the original contracting party with respect to the royalty obligations), the Company has instructed its counsel in Australia to commence legal proceedings against GAOG seeking an order compelling payment of the outstanding Royalty Payments plus interest thereon, as well other costs and interest.

The Company has also instructed its counsel in Australia to review the original agreements to determine if there is a legal basis for seeking their rescission.

For further information contact:

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Cautionary Statement on Forward-Looking Information

This news release, which contains certain forward-looking statements, is intended to provide readers with a reasonable basis for assessing the financial performance of the Company. All statements, other than statements of historical fact, are forward-looking statements. The words “believe”, “should”, “could”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward-looking statements. These forward-looking statements pertain to the commencement of legal proceedings and the outcome thereof. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.