Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

Newport Exploration Ltd.
#202 – 2168 Marine Drive
West Vancouver, BC V7V 1K3

Item 2. Date of Material Change

May 11, 2021

Item 3. News Release

A News Release dated May 11, 2021 was filed with the TSX Venture Exchange and the British Columbia, Alberta, and Saskatchewan Security Commissions via SEDAR and disseminated through the CNW Group.

Item 4. Summary of Material Change

Newport Exploration Ltd. announced the Board of Directors declared a quarterly cash dividend of $0.02 per share payable to the Company's shareholders of record as at the close of business on May 26, 2021.

Item 5.1 Full Description of Material Change

See attached News Release, which is hereby incorporated by reference.

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 11th day of May 2021.

NEW RELEASE

Trading Symbol: NWX (TSX-V)

NEWPORT ANNOUNCES DOUBLING OF SECOND QUARTERLY CASH DIVIDEND

Vancouver, Canada. May 11, 2021. Newport Exploration Ltd ("Newport" or "the Company") is pleased to announce its second quarterly cash dividend ("the Dividend") in 2021, of $0.02 per share to its shareholders of record at the close of business on May 26, 2021. The Dividend payment date is June 10, 2021.

The Dividend, fully approved by the Board of Directors, is not subject to any changes and has been designated as an "eligible dividend" for Canadian income tax purposes.

Increased Dividend

As stated in a Company News Release dated March 12, 2021, the Company retains the option of increasing the quarterly dividend at any time, as it did in December 2020 with the tripling of the scheduled quarterly dividend amount. The Company's strong balance sheet ensures that it has the ability to not only maintain regular $0.01 per share quarterly dividend payments, but to increase the second quarterly dividend for 2021 to $0.02 per share. This is being done for the benefit of all shareholders and without taking on any debt or undertaking equity financing.

Notwithstanding the doubling of the second quarter 2021 dividend, the Company still retains a margin of financial safety to maintain scheduled dividend distributions.

"The recent decrease in production should be offset this quarter as a result of the 39% increase in oil price received by Beach, and by doubling the second quarterly dividend, Management is simply keeping its pledge to return GOR revenues to shareholders in a timely manner," stated Ian Rozier, President and CEO of Newport.

About Newport

Newport has an advantageous business model with a 2.5% Gross Overriding Royalty ("GOR") over permits in the Cooper Basin, Australia, operated by Beach Energy Ltd ("Beach"). There is no time limit or expiry date on the GOR assets, and no cost to the Company to retain them.

Newport has no control over operating decisions made by Beach. Accordingly, this prevents the Company from commenting on Beach's operating plans going forward. The Company recommends that shareholders and potential investors access material information relevant to the Company as released independently by Beach and Santos Ltd in order to keep current during exploration, development and potential production of all the licences subject to the Company's GOR. The Company receives its GOR from Beach which is not a reporting issuer in Canada, therefore Newport is not able to confirm if the disclosure satisfies the requirements of NI 51-101 - Standards of Disclosure for Oil and Gas Activities, or other requirements of Canadian securities legislation.

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The Company currently has 105,579,874 common shares issued and outstanding and $5.8million in the Treasury (comprised of cash, cash equivalents and short-term investments), and no debt. The Company expects to receive the next royalty payment from Beach prior to the dividend payment on June 10, 2021.

For further information contact:
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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the accuracy or adequacy of this news release.

Cautionary Statement on Forward-Looking Information

This news release is intended to provide readers with a reasonable basis for assessing the future performance of the Company. The words "believe", "should", "could", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking statements. Forward-looking statements may pertain to assumptions regarding Beach's drilling plans, future dividends, the price of oil and fluctuations in currency markets (specifically the Australian dollar). Forward-looking statements are based upon a number of estimates and assumptions that, which are considered reasonable by the Company, are inherently subject to business, economic and competitive uncertainties and contingencies. Factors include, but are not limited to, the risk of fluctuations in the assumed prices of oil, the risk of changes in government legislation including the risk of obtaining necessary licences and permits, taxation, controls, regulations and political or economic developments in Canada, Australia or other countries in which the Company carries or may carry on business in the future, risks associated with developmental activities, the speculative nature of exploration and development, and assumed quantities or grades of reserves. 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.