

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company

Groundstar Resources Limited
Suite 2900, 350 - 7th Avenue SW
Calgary, AB T2P 3N9

2. Date of Material Change

November 15, 2012

3. News Release

A news release was disseminated through Marketwire on November 15, 2012.

4. Summary of Material Change

Groundstar Resources Limited ("**Groundstar**" or the "**Company**") announced the entering into of a relinquishment agreement with respect to its interest in the Qara-Dagh Block located in the Kurdistan Region of Iraq.

5. Full Description of Material Change

The Company announced that, along with its consortium partners Niko Resources Ltd. and Vast Exploration Inc., it has entered into a relinquishment and termination agreement (the "**Relinquishment Agreement**") with the Kurdistan Regional Government ("**KRG**") to surrender their collective interests in the Qara-Dagh Block located in the Kurdistan Region of Iraq. Groundstar acquired a working interest in the block under a production sharing agreement. The consortium drilled an exploration well, which was not commercially successful. Pursuant to the Relinquishment Agreement, and after settlement of all outstanding expenses, Groundstar expects to recover a net amount of \$1.3 Million USD.

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

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) of National Instrument 51-102.

7. Omitted Information

No information has been omitted on the basis that it is confidential information.

8. Executive Officer

For more information please contact:

Chad Dust, Director
403 608 6505 or 403 668 5547

or Ty Pfeifer, Chief Operating Officer
(403) 614 9902

9. Date of Report

December 14, 2012