FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

Strategic Oil & Gas Ltd. ("**Strategic**")
1800, 510 5th Street SW
Calgary, Alberta
T2P 3S2

2. Date of Material Change:

June 6, 2011

3. News Release:

A press release reporting the material change was issued on June 6, 2011 via Marketwire.

4. Summary of Material Change:

The Corporation announced that its Board of Directors has approved a 48% increase to the Company's 2011 capital budget from $25 million to $37 million.

5. Full Description of Material Changes:

The Corporation announced that its Board of Directors has approved a 48% increase to the Company's 2011 capital budget from $25 million to $37 million.

The increase to the capital expenditures is due to recent successes, previously announced, at Steen River:

- First quarter drilling success from two Keg River wells;
- Success at the June 1 land sale;
- Recent geological and geophysical assessment of the multi-zone potential.

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

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

For further information, please contact:

Arn Schoch, President (403)718-0183 ext. 242

9. Date of Report:

June 6, 2011