

**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:

August 16, 2012

3. News Release:

A press release reporting the material change was issued on August 16, 2012 via Marketwire.

4. Summary of Material Change:

The Corporation advised that it has filed with the TSX Venture Exchange a Notice of Intention to purchase its common shares from time to time in accordance with the normal course issuer bid procedures under Canadian securities laws.

5. Full Description of Material Changes:

The Corporation advised that it has filed with the TSX Venture Exchange a Notice of Intention to purchase its common shares from time to time in accordance with the normal course issuer bid procedures under Canadian securities laws.

Pursuant to the issuer bid, Strategic may purchase for cancellation up to 9,355,000 of its common shares, representing 5% of the issued and outstanding common shares of the Corporation, during the 12-month period commencing August 20, 2012. The price which Strategic will pay for any shares under the normal course issuer bid will be the market price at the time of purchase. The purchases will be made through the TSX Venture Exchange. The brokerage firm conducting the normal course issuer bid on behalf of Strategic is Macquarie Capital Markets Canada Ltd. Subject to regulatory approval, the normal course issuer bid will commence on August 20, 2012 and terminate on August 19, 2013.

The Corporation believes that the purchase of its shares at recent market prices is a worthwhile investment since recent market prices of its shares do not properly reflect the underlying value of its assets and business. To the extent that the Corporation purchases for cancellation such shares in accordance with the Normal Course Issuer Bid, the holdings of remaining shareholders would represent an increased proportion of the shares outstanding and, all other things remaining equal, are expected to result in an increased net asset value per share.

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, CEO, (403)767-9000

9. Date of Report:

August 20, 2012