FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

Strategic Oil & Gas Ltd. ("**Strategic" or the "Corporation**")
1100, 645 7th Avenue SW
Calgary, Alberta
T2P G8

2. Date of Material Change:

September 29, 2014

3. News Release:

A press release reporting the material change was issued on September 30, 2014 via Marketwired.

4. Summary of Material Change:

The Corporation announced that it closed the first tranche of its previously announced financing for total gross proceeds of $65.8 million (the "Private Placement"). At closing, Strategic issued 163,926,091 common shares in the Company ("Common Shares"), comprised of 158,085,000 Common Shares and 5,841,091 Common Shares issued on a flow-through basis ("Flow-Through Shares") pursuant to the *Income Tax Act* (Canada).

The Company also announced that it issued 175,000 stock options to a director of Strategic. Each option entitles the holder to acquire one Common Share of the Company for a period of five years at a price of $0.43 per share.

5. Full Description of Material Changes:

The Corporation announced that it closed the first tranche of its previously announced financing for total gross proceeds of $65.8 million (the "Private Placement"). At closing, Strategic issued 163,926,091 common shares in the Company ("Common Shares"), comprised of 158,085,000 Common Shares and 5,841,091 Common Shares issued on a flow-through basis ("Flow-Through Shares") pursuant to the *Income Tax Act* (Canada) (the "Act").

The gross proceeds raised from the Flow-Through Shares will be used by the Corporation to incur and renounce, effective on or before December 31, 2014, Canadian exploration expense (as defined in the Act) in an amount equal to the aggregate purchase price of the Flow-Through Shares bought by each purchaser.
Net proceeds of the Private Placement will be used to repay indebtedness and fund the Corporation's ongoing Muskeg horizontal well drilling program. The Common Shares issued will be subject to a hold period expiring January 30, 2015.

The Corporation also announced that it has issued 175,000 stock options to a director of Strategic. Each option entitles the holder to acquire one Common Share of the Company for a period of five years at a price of $0.43 per share. These options were issued in accordance with the Corporation's incentive stock option plan.

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:

Gurpreet Sawhney, President (403)767-2949

9. Date of Report:

September 30, 2014