

**FORM 51-102F3**  
**Material Change Report**

**1. Name and Address of Company:**

Marksmen Energy Inc. (the “Company” or “Marksmen”)  
Suite 500, 400 - 3rd Avenue S.W.  
Calgary, Alberta  
T2P 4H2

**2. Date of Material Change(s):**

November 5, 2021

**3. News Release:**

A news release relating to the material change described herein was released via the facilities of Globe Newswire on November 5, 2021.

**4. Summary of Material Change(s):**

Marksmen announced that it completed the second and final closing of its previously announced non-brokered private placement of units of Marksmen.

Marksmen further announced the filing of an early warning report and the granting of stock options to purchase 2,920,000 Common Shares to directors, officers, employees, and consultants subject to regulatory and TSX Venture Exchange approval.

**5. Full Description of Material Change:**

**5.1 Full Description of Material Change**

Marksmen announced that it has completed the second and final closing of its previously announced non-brokered private placement of units (the “Units”) of Marksmen (the “Offering”), which was increased pursuant to the Company's news release dated October 25, 2021. The Company issued 14,913,330 Units at a price of \$0.06 per Unit for gross proceeds of \$894,800, bringing the total aggregate gross proceeds raised under the Offering to \$1,250,000. Each Unit is comprised of one (1) common share (“Common Share”) and one (1) share purchase warrant (“Warrant”) of Marksmen. Each whole Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.09 per share expiring two (2) years from the date of issuance.

Pursuant to the final closing of the Offering, Marksmen paid cash commissions to qualified non-related parties in the aggregate amount of \$58,184 (\$55,304 of the cash commissions payable were paid by the Corporation by the issuance of 921,733 Units) and issued an aggregate of 969,733 broker warrants entitling the holders to acquire one Common Share at a price of \$0.06 per share for a period of one (1) year from the date of issuance.

Marksmen intends to use the net proceeds of \$836,616 from the final closing of the Offering to drill an offset well to the Company's Davis Holbrook #1 and Davis Holbrook #2 wells in Pickaway County, Ohio for \$400,000, and to participate in other Ohio drilling prospects for the remainder.

Completion of the Offering is subject to regulatory approval including, but not limited to, the approval of The TSX Venture Exchange Inc. (“TSXV”). The securities issued are subject to a four month and a day hold period from the date of issuance.

### **Related Party Participation in the Private Placement**

Insiders subscribed for an aggregate of 12,849,997 Units in the final closing of the Offering for a total of 86%. As insiders of Marksmen participated in the final closing of the Offering, it is deemed to be a “related party transaction” as defined under Multilateral Instrument 61-101-*Protection of Minority Security Holders in Special Transactions* (“MI 61-101”).

Neither the Company, nor to the knowledge of the Company after reasonable inquiry, a related party, has knowledge of any material information concerning the Company or its securities that has not been generally disclosed.

Pursuant to the final closing of the Offering, Archie Nesbitt subscribed for 775,000 Units, 400,000 of which were subscribed for indirectly through his wholly owned company Archibald J. Nesbitt & Company Ltd., for an aggregate subscription of \$46,500, which brings his total percentage of ownership of the Common Shares to 8.53%; Peter Lacey subscribed for 10,408,330 Units, 3,333,330 of which were subscribed for indirectly through his wholly owned company Summerhill Investment Corporation, for an aggregate subscription of \$624,499.80, which brings his total percentage of ownership of the Common Shares to 9.99%; and Hans Koch subscribed for 1,666,667 Units for a subscription of \$100,000, which brings his total percentage of ownership of the Common Shares to 8.49%.

The Offering is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 (pursuant to subsections 5.5(c) and 5.7(1)(b)) as it was a distribution of securities for cash and neither the fair market value of the Units distributed to, nor the consideration received from, interested parties exceeded \$2,500,000. The Offering was approved by the board of directors of the Corporation, including all of the directors that did not subscribe to the Offering.

The Company did not file a material change report more than 21 days before the expected closing of the Offering because the details of the participation therein by related parties of the Company were not settled until shortly prior to the first closing of the Offering and the Company wished to close on an expedited basis for business reasons.

### **Repayment of Bridge Loan**

A third party provided a bridge loan to Marksmen in the amount of \$74,000 following the first closing of the Offering so that the Company could meet the timing of its funding commitments for the southeast Ohio, Trenton Black River, Webb #1 well, and the bridge loan was paid back in full.

### **Early Warning Report**

In connection with the final closing of the Offering, the Company issued 10,408,330 Units to Mr. Peter Lacey, directly and indirectly, for total consideration of \$624,500.

As of November 4, 2021, Mr. Lacey had control of 5,800,000 Common Shares representing 3.96% of the issued and outstanding Common Shares and 5,800,000 Warrants. Assuming the exercise of the Warrants, Mr. Lacey would have control or direction over 11,600,000 Common Shares, representing 7.62% of the issued and outstanding Common Shares as of November 4, 2021.

Immediately after the final closing of the Offering, Mr. Lacey had control of 16,208,330 Common Shares representing 9.99% of the issued and outstanding Common Shares and 16,208,330 Warrants. Assuming the exercise of the Warrants, Mr. Lacey would have control or direction over 32,416,660 Common Shares, representing 18.16% of the issued and outstanding Common Shares.

Mr. Lacey's acquisition of the Units was made for investment purposes and Mr. Lacey intends to increase or decrease his holdings in the Company depending on market conditions and as circumstances warrant.

A report respecting this acquisition will be filed with the applicable securities commissions using the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) and will be available for viewing on the Company's profile at [www.sedar.com](http://www.sedar.com).

### **Stock Option Grants**

Marksmen also announces the granting of stock options to purchase 2,920,000 Common Shares to directors, officers, employees, and consultants subject to regulatory and TSXV approval. The options were issued with an exercise price of \$0.06 per share, vest as to one-third (1/3) immediately and one-third (1/3) on each of the first and second anniversaries of the grant date and have a five-year term from the date of issuance.

### **5.2 Disclosure for Restructuring Transactions**

Not applicable.

### **6. Reliance on Subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*:**

Not applicable.

### **7. Omitted Information:**

Not applicable.

### **8. Executive Officer Knowledgeable of Material Change:**

John McIntyre, Chief Financial Officer  
Marksmen Energy Inc.  
(403) 265-7270

### **9. Date of Report:**

November 15, 2021