

AFRICA HYDROCARBONS INC.
Form 51-102F3
MATERIAL CHANGE REPORT

1 Name and Address of Reporting Issuer:

Africa Hydrocarbons Inc. (the **Company**)
300 Royal Centre, P.O. Box 11130
1055 West Georgia Street
Vancouver, British Columbia
V6E 3R3

2 Date of Material Change:

May 29, 2012 and June 1, 2012

3 News Release:

News releases disclosing the material changes were released by the Company and disseminated on the Canadian Disclosure Network by CNW Group on May 30, 2012 and June 4, 2012.

4 Summary of Material Change:

The Company's wholly owned subsidiary, Watutatu Inc. (**Watutatu**), is party to a farmout agreement (the **Farmout Agreement**) dated November 2, 2011, as amended, with DualEx Tunisia Inc. (**DualEx**). Pursuant to the Farmout Agreement, a second instalment (the **Second Instalment**) of US\$5,250,000 was due to be paid by Watutatu to DualEx by May 29, 2012. The Second Instalment was not paid on May 29, 2012. On May 30, 2012, Watutatu and DualEx announced that they were working together to finalize the timing of the payment of the Second Instalment. On June 1, 2012, Watutatu and DualEx entered into an amending agreement pursuant to which the Second Instalment is due to be paid by June 15, 2012.

5 Full Description of Material Change:

The Company's wholly owned subsidiary, Watutatu, is party to the Farmout Agreement with DualEx. Pursuant to the Farmout Agreement, the Second Instalment was due to be paid by Watutatu to DualEx by May 29, 2012. The Second Instalment was not paid on May 29, 2012. On May 30, 2012, Watutatu and DualEx announced that they were working together to finalize the timing of the payment of the Second Instalment. On June 1, 2012, Watutatu and DualEx entered into an amending agreement pursuant to which the Second Instalment is due to be paid by Watutatu by June 15, 2012.

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

Not applicable.

7 Omitted Information:

Not applicable.

8 Executive Officer:

John Nelson, Chief Executive Officer, is knowledgeable about the material change described herein and may be reached at (403) 774-7225.

9 Date of Report:

June 4, 2012.