**FORM 51-102F3**
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

TRANSEURO ENERGY CORP.
2800 - 350 - 7th Avenue SW
Calgary, Alberta, T2P 3N9
Telephone: 403-705-1919

(the "Company")

**Item 2 Date of Material Change**

May 18, 2012

**Item 3 News Release**

The news release was disseminated on May 18, 2012 through Marketwire.

**Item 4 Summary of Material Change**

The Company announced that the Company has signed final agreements with YA Global Master SPV Ltd., which is advised by Yorkville Advisors LLC, including a Loan Agreement for up to CAD 5 million, and a Share Purchase Agreement for up to NOK 100 million (approximately CAD 17.2 million).

**Item 5 Full Description of Material Change**

Please see the attached news release dated May 18, 2012

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

Not applicable.

**Item 7 Omitted Information**

Not applicable.

**Item 8 Executive Officer**

For further information, contact:

Darren Moulds
Telephone: + 1-403-705-1919

**Item 9 Date of Report**

May 24, 2012

**TRANSEURO ENERGY CORP.**
2800 – 350 – 7th Avenue SW
Calgary, Alberta T2P 3N9, Canada

**NEWS RELEASE – FINANCING AGREEMENTS COMPLETED**

**18th May 2012** **TSX-V/Oslo Axess: TSU**

**Calgary, Canada**: **-** Transeuro Energy Corp. ("Transeuro" or the "Company") announces that the Company has signed final agreements with YA Global Master SPV Ltd (YA Global), which is advised by Yorkville Advisors LLC (Yorkville), including a Loan Agreement for up to CAD 5 million, and a Share Purchase Agreement (SPA) for up to NOK 100 million (approximately CAD 17.2 million).

Yorkville is an alternative investment manager and provider of specialised financing solutions, based in the USA, with offices worldwide. They offer flexible, innovative debt and equity investments and financing in publically listed companies in a variety of sectors. Yorkville has provided similar financing agreements to companies such as: San Leon Energy; Tower Resources; Ascent Energy and Red Rock Energy among others.

Under the terms of the Loan Agreement, Transeuro can receive up to CAD 5 million over a period of 24 months, which shall be advanced in tranches of CAD 1 million with repayment over 12 months. The loan will be unsecured and pay annual interest at 10%. The Company has drawn the first instalment of the Loan Agreement in the amount of CAD 1 million and has issued 1 million, one year share purchase warrants with the exercise price of CAD 0.168 to YA Global.

Pursuant to the proposed terms of the SPA, the Company has the discretion to withdraw funds in tranches up to a total of NOK 100 million over a period of 36 months. At the request of the Company YA Global will, subject to a number of conditions as set out in the SPA, be obligated to purchase ordinary shares at a discount of 5% to the average of the lowest volume weighted average share price of the Company during four consecutive 10 day forward pricing period. Alternatively the Company may elect a backward pricing period whereby YA Global will purchase shares at a 10% discount to the lowest volume weighted average share price of the Company during a 5 day backward pricing period. The Company will prepare and file a Shelf Prospectus in Canada to facilitate the issuance of new shares under the SPA and will announce each individual drawdown.

Completion of these financing agreements (SPA and the Loan Agreement) was a condition precedent of the previously announced Senior Secured Convertible Bond that is scheduled for settlement on May 22nd. The final terms of the Senior Secured Convertible Bond is an amount of NOK 60 million (approximately CAD 10.4 million), annual interest at 12% and a conversion price at NOK 0.85 (approximately CAD 0.146). The bond is secured against the shares of Transeuro Beaver River Inc, the Company subsidiary holding title to 50% of the Beaver River field in British Columbia, Canada. Fondsfinans ASA acted as sole arranger in connection with the convertible bond issue.

Final completion of the Senior Convertible Bond completes a set of funding facilities totalling approximately CAD 33 million of which CAD 11 million is received immediately. The remaining CAD 4 million from the loan agreement can be drawn in tranches of CAD 1 million over 24 months and the CAD 17 million from the Share Purchase Agreement is available in tranches over the next 36 months, the size of which will depend on various factors, such as pricing and trading volumes.

**Aage Thoen, Chairman of Transeuro Energy Corp. commented** “This financing is transformation for the Company and underpins the markets belief in our assets. The funds have been raised in uncertain financial market conditions and provide the Company with the ability to pursue longer term programmes with flexibility and confidence and to engage strategies for further growth as opportunities emerge.”

ABOUT THE COMPANY

Transeuro is involved in the acquisition of petroleum and natural gas rights, the exploration for, and development and production of crude oil, condensate and natural gas. The Company owns 100% of a gas producing property located in British Columbia, Canada and has interest in gas exploration and appraisal developments in Crimea, Ukraine.

On behalf of the Board of Directors
*Aage Thoen, Chairman*

For further information contact: Darren Moulds, Transeuro IR, +1 403 705 1919
Karen Jenssen, Transeuro IR, +47 91729787
http://www.transeuroenergy.com

Brian Kinane, Yorkville, +44207 451 0009
http://www.yorkvilleadvisors.com