FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

International Frontier Resources Corporation ("**IFR**" or the "**Company**")
#2410, 520 – 5th Avenue SW,
Calgary, AB T2P 3R7

2. **Date of Material Change**

July 23, 2018

3. **News Release**

A press release was disseminated on July 23, 2018 via Stockwatch.

4. **Summary of Material Change**

IFR Provides Operation Update at Tecolutla.

5. **Full Description of Material Change**

5.1. **Full Description of Material Change**

IFR has provided an operations update on its Mexican joint venture, Tonalli Energia ("**Tonalli**") and its onshore oil and gas block Tecolutla.

At Tecolutla, Tonalli has finalized the completion of three intervals in its first evaluation well, TEC-10. Perforation and stimulation of the TEC-10 well commenced in late June targeting multiple zones in 138m of gross El Abra reef.

Production testing is on-going with the following results to date from each interval:

- Interval A was completed between 2433.5 and 2442.5m to test for the presence of oil at the depth where strong oil shows were encountered while drilling. Interval A recovered a small amount of oil and had limited inflow.

- Interval B was completed between 2394.5 and 2410.5m. Interval B also recovered a small amount of oil and had limited inflow.

- Interval C was completed between 2349.5 and 2353m in the highest porous interval in the TEC-10 well. For the first three days of the test, the well flowed at an average rate of 384 barrels per day of fluid at an oil cut of 5% or less. During the last 12 hours (until approx. 5am MST today) the flow rate has averaged 480 barrels per day of fluid with a 12% oil cut with a current well head pressure of 300 psi. The entire testing period has occurred through a 12/64" choke. Tonalli will continue to test to observe flow rates and oil cuts.

Although there was limited inflow from Interval A and Interval B with the minor stimulations, Tonalli encountered oil at these lower depths which indicates potentially a lower oil water contact and a larger gross rock volume within Tecolutla that is charged with hydrocarbons. Interval A is approximately 70 meters lower than the lowest previously produced interval within the El Abra reef at Tecolutla. FMI log data indicates abundant natural fractures at these lower depths that may connect this tighter Lower El Abra to the higher reservoir quality Upper El Abra.

Since reaching total depth, Tonalli has utilized the modern well logs from TEC-10 to perform a pre-stack depth migration of the 3D seismic volume ("**PSDM Seismic**") to give a more precise image of the top of the El Abra. This PSDM Seismic has provided an explanation of the TEC-10 well results by identifying localized karsting or sink-hole type features along the top of the El Abra. These localized karsting features are filled with non-reservoir shales and mudstones that do not contain hydrocarbons. Tonalli's interpretation of the PSDM Seismic and the TEC-10 well logs indicate that the directionally drilled TEC-10 well encountered a small vertical karst feature at the prognosed top of the El Abra formation then exited this karst lower in the El Abra. This resulted in TEC-10 encountering non-reservoir shales and mudstones at depths where Tonalli expected the El Abra reef to be structurally high and have good reservoir quality.

The porous Interval C in TEC-10 was encountered after the well exited the karst feature and is structurally located at a similar elevation to perforations in the offset TEC-6 well. Based on the observed water cut, it is believed that Interval C of the TEC-10 well encountered a partially depleted portion of the El Abra reservoir which is inside the drainage radius of this offset well. Future wells in Tecolutla will be planned to be outside the drainage area of existing wells and to avoid localized karst features. The PSDM Seismic has also given us a more precise image of the reef edge which matches our original interpretation of the reef edge and further confirms the areal extent of the reef. Tonalli is confident that there is significant remaining oil in the reservoir that can recovered with horizontal wells that are strategically located.

"The information obtained by drilling TEC-10 has provided the necessary information to develop the remaining resources of the Tecolutla field with additional wells and workovers," stated Curtis Hess Vice President of Exploration. "Our understanding of the El Abra reservoir has greatly improved and Tonalli is in the process of developing a horizontal drilling development strategy based on this knowledge."

Tonalli is examining the next steps regarding TEC- 10 and has commenced planning for the drilling of the first horizontal well ("**TEC- 11**") and a workover of the TEC-7 well. Tonalli expects these to take place in late Q4 2018 and Q1 2019 pending regulatory approvals.

Tonalli has recently entered into a crude oil commercialization agreement with Pemex. At this time, Tonalli does not intend to produce from any wells in the Tecolutla field until appropriate production and water disposal facilities are constructed and after the next well is drilled successfully.

Through its joint venture, IFR was one of the first foreign companies to participate in Mexico's historic reform of the oil and gas sector. The Tecolutla block was awarded to Tonalli as part of the first round and third call of Mexico's oil and natural gas "mature fields" bid round ("**Round 1.3**"), the first in almost 80 years.

Forward Looking Statements
This material change report contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws relating to the Company's plans, strategy, business model, focus, objectives and other aspects of IFR's anticipated future operations and financial, operating and drilling and development plans and results, including, expected future production, production mix, reserves, drilling inventory, net debt, cash flow, operating netbacks, decline rate and decline profile, product mix, capital expenditure program, capital efficiencies, commodity prices, tax pools and targeted growth. In addition, and without limiting the generality of the foregoing, this material change report contains forward-looking information regarding: results of the TEC-10 well including, production testing results and anticipated further testing of the TEC-10 well and potential interpretations of testing results in relation to the TEC-10 well; and business plans for future drilling, exploration and development in Tecolutla, including locations of future wells, potential remaining oil that can be recovered with horizontal wells, anticipated production rates, estimated volumes and timing for future production from Tecolutla, the development of additional wells and workovers at Tecolutla and the timing for such future drilling, exploration and development.

Forward-looking information typically uses words such as "anticipate", "believe", “indicate”, "project", "target", "guidance", "expect", "goal", "plan”, "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. The forward-looking information is based on certain key expectations and assumptions made by IFR's management, including expectations concerning prevailing commodity prices, exchange rates, interest rates, applicable royalty rates and tax laws; capital efficiencies; decline rates; future production rates and estimates of operating costs; performance of existing and future wells; reserve and resource volumes; anticipated timing and results of capital expenditures; the success obtained in drilling new wells; the sufficiency of budgeted capital expenditures in carrying out planned activities; the timing, location and extent of future drilling operations; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; the availability and cost of financing, labour and services; the impact of increasing competition; ability to market oil and natural gas successfully and IFR's ability to access capital.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of IFR to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; geological, technical, drilling and processing problems; general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; competition; changes in legislation, including environmental legislation, affecting IFR; the timing and availability of external financing on acceptable terms; and lack of qualified, skilled labour or loss of key individuals.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because IFR can give no assurance that they will prove to be correct. In particular, the production testing results are preliminary and may be materially different from any future results. Since forward-looking information addresses future events and conditions, by its very nature they involve inherent risks and uncertainties. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that the Company will derive there from. Management has included the above summary of assumptions and risks related to forward-looking information provided in this material change report in order to provide security holders with a more complete perspective on IFR's future operations and such information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect IFR's operations or financial results are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

These forward-looking statements are made as of the date of this material change report and IFR disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility or accuracy of this release. The Company seeks Safe Harbor.

5.2. **Disclosure for Restructuring Transactions**

Not Applicable.

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

Not Applicable

7. **Omitted Information**

Not Applicable

8. **Executive Officer**

The name and business number of the executive officer of IFR who is knowledgeable about the material change and this report is:

Steve Hanson, President and CEO
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9. **Date of Report**

August 1, 2018