

FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1 NAME AND ADDRESS OF COMPANY

Brookwater Ventures Inc. (“Brookwater” or the “Company”)
Suite 1100 - 505 3rd Street, SW
Calgary, Alberta T2P 3E6

ITEM 2 DATE OF MATERIAL CHANGE

September 11, 2012

ITEM 3 NEWS RELEASE

A news release was issued by the Corporation through Marketwire on September 11, 2012 and subsequently filed on SEDAR.

ITEM 4 SUMMARY OF MATERIAL CHANGE

Brookwater announced that its wholly owned subsidiary, Água Grande Exploração e Produção de Petróleo Ltda. (“Água Grande”), has been notified by the operator of block 166 in the Recôncavo Basin in Brazil (“Block 166”) that due to the current dispute over non-payment by Agua Grande of certain outstanding cash calls, the operator of Block 166 plans to apply to the governmental and regulatory authorities to assume the Company’s 30% working interest in Block 166 pursuant to the terms of the joint operating agreement entered into among the parties.

The Company also announces that it has appointed Mr. Scott Moore to the board of directors of Brookwater. Mr. Moore takes the place vacated by Mr. Stan Bharti who has resigned from the board to focus on other commitments.

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

Brookwater announced that its wholly owned subsidiary, Agua Grande, has been notified by the operator of Block 166 that due to the current dispute over non-payment by Agua Grande of certain outstanding cash calls, the operator of Block 166 plans to apply to the governmental and regulatory authorities to assume the Company’s 30% working interest in Block 166 pursuant to the terms of the joint operating agreement entered into among the parties. The Company is disputing the notice provided by the operator and plans to pursue all legal remedies available. If unsuccessful, the Company could lose its interest in Block 166. The loss of the Company’s interest in Block 166 is also an event of default under the promissory note entered into by the Company on July 19, 2012 (the “Promissory Note”). Pursuant to the terms of the Promissory Note, upon an event of default the noteholder has the option to declare the principal of the Promissory Note outstanding together with all interest accrued and unpaid immediately due and payable.

The Company also announces that it has appointed Mr. Scott Moore to the board of directors of Brookwater. Mr. Moore takes the place vacated by Mr. Stan Bharti who has resigned from the board to focus on other commitments. Brookwater remains a member of the Forbes & Manhattan Group of Companies and continues to receive all of the benefits of such membership, including access to a world class team of geologists and petroleum engineers, advice from Mr. Bharti and other Forbes & Manhattan capital market professionals and strategic advice from the Forbes & Manhattan Board of Advisors.

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

To obtain further information, contact Ahmed Said, Interim President and Chief Executive Officer of the Company, at (403) 263-3000

ITEM 9 DATE OF REPORT

September 25, 2012

Forward-looking information; Cautionary Note

This material change report contains forward-looking information relating to the Company's growth and corporate strategy, and other statements that are not historical facts. Forward-looking information relates to management's future outlook and anticipated events or results, and may include statements or information regarding the notice received from the operator of Block 166; the loss by Brookwater and Agua Grande of their interest in Block 166; default under the Promissory Note; the appointment and resignation of directors of the Company; and the future plans or prospects of the Company. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

Forward looking-information is subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what is currently expected. These factors include risks and uncertainties associated with oil and gas exploration, development, exploitation, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, reliance on key personnel, regulatory risks and delays and other risks and uncertainties discussed in the management discussion and analysis section of the Company's interim and most recent annual financial statement or other reports and filings with the TSX Venture Exchange and applicable Canadian

securities regulations. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

The forward-looking statements contained in this material change report are made as of the date of this material change report. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.