

FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1 NAME AND ADDRESS OF COMPANY

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

ITEM 2 DATE OF MATERIAL CHANGE

January 16, 2014

ITEM 3 NEWS RELEASE

A news release was issued by the Corporation through Marketwire on January 16, 2014 and subsequently filed on SEDAR.

ITEM 4 SUMMARY OF MATERIAL CHANGE

Brookwater intends to complete a non-brokered private placement financing for gross proceeds of up to \$2,000,000.

ITEM 5 FULL DESCRIPTION OF MATERIAL CHANGE

Brookwater intends to complete a non-brokered private placement financing for gross proceeds of up to \$2,000,000 (the “Offering”). The financing will be comprised of 40,000,000 units (the “Units”) at a price of \$0.05 per Unit. Each Unit will be comprised of one common share of Brookwater and one common share purchase warrant (a “Warrant”). Each Warrant will entitle the holder thereof to acquire one common share of Brookwater at an exercise price of \$0.10 per common share for a period of 24 months following the closing date of the Offering. If at any time after four months and one day from the closing of the Offering, the common shares of the company trade at \$0.20 per common share or higher (on a volume weighted adjusted basis) for a period of 20 consecutive days, the company will have the right to accelerate the expiry date of the Warrants to the date that is 30 days after the company issues a news release announcing that it has elected to exercise this acceleration right.

The Closing Date of the Offering is scheduled to be on or about February 28, 2014. All securities issued will be subject to a hold period of four months and one day. The Offering is subject to a number of conditions, including, without limitation, receipt of all regulatory approvals.

The gross proceeds of the Offering will be used to strengthen the corporate balance sheet, pay existing liabilities, pursue potential acquisition opportunities and for general corporate purposes.

**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 (416) 309-2963.

ITEM 9 DATE OF REPORT

January 23, 2014

Forward-looking information

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 regarding the private placement financing and use of proceeds. 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 news release. 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.