

Form 51-102F3

Material Change Report

1. REPORTING ISSUER

Sonoro Energy Ltd. (“**Sonoro**” or the “**Issuer**”)
Suite 600, 520 -5th Avenue S.W.
Calgary, AB T2P 3R7

2. DATE OF MATERIAL CHANGE

November 18, 2016

3. PRESS RELEASE

The press release was issued on November 8, 2011 and was disseminated through the facilities of recognized newswire services. A copy of the news release was filed on SEDAR.

4. SUMMARY OF MATERIAL CHANGE

Sonoro has completed an estimate of prospective resources on the its prospect on the Budong Budong Production Sharing Contract (“PSC”) block in onshore Sulawesi Indonesia.. The assessment was prepared by McDaniel and Associates Consultants Ltd. (“McDaniels”), a Qualified Independent Reserves Auditor. The effective date of the report is September 30, 2016. McDaniel’s evaluation was limited to oil and gas resources on only the Lariang (“LG”) basin structure identified at the LG-1 well within the Budong Budong PSC area and does not include other potential leads. The report identified Un-Risked Prospective Resources (Net to Sonoro) in the Budong Budong PSC are estimated on an un-risked prospective recoverable basis to be approximately 15.922 million barrels of oil equivalent (Mean), ranging between 6.866 million barrels of oil equivalent (P90) to 28.440 million barrels of oil equivalent (P10).

These unrisked prospective resources are cited on a 71.5% working interest basis and not on a production share or profit basis in the absence of an economic evaluation.

5. FULL DESCRIPTION OF MATERIAL CHANGE

An independent evaluation of oil and gas potential for Sonoro’s license area was prepared by McDaniel and Associates Consultants Ltd. (“McDaniel’s”), a Qualified Independent Reserves Auditor. This report highlights the probabilistic volumes of prospective oil and gas resources within the Budong Budong Sulawesi Indonesia PSC Area which are cited on a 71.5% working interest basis and not on a production share or profit basis in the absence of an economic evaluation.

The independent resource assessment was prepared in accordance with Canadian NI 51-101 definitions and the COGE Handbook. The effective date of the report is September 30, 2016. McDaniel’s evaluation was limited to oil and gas resources on only the Lariang

(“LG”) basin structure identified at the LG-1 well and does not include other potential leads. Highlights of the Prospective Resource Report include:

- Three distinctive Pliocene sands at approximate depths of 415m, 450m and 490m with oil accumulations are included in this prospective resource report. Up-dip thickening is currently incorporated into the high estimate of the probabilistic range and the company expects to embark on additional seismic interpretation of these up-dip sands.
- Un-Risked Prospective Resources (Net to Sonoro) in the Budong Budong PSC are estimated on an un-risked prospective recoverable basis to be approximately 15.922 million barrels of oil equivalent (Mean), ranging between 6.866 million barrels of oil equivalent (P90) to 28.440 million barrels of oil equivalent (P10). The risked mean volumes in the table below incorporates an average 36.5% chance of discovery and a 70% chance of development.

There is no certainty that any portion of the prospective resources will be discovered. If a discovery is made, there is no certainty that it will be developed or, if it is developed, there is no certainty as to the timing of such development or that it will be commercially viable to produce any portion of the prospective resources.

Table 1: Prospective Risked Resources (Sonoro Net Technically Recoverable) in the Budong Budong PSC area.

LG Prospect	Sonoro Working Interest Prospective Resources - Unrisked ⁽¹⁾				Risked Resources Mean ⁽²⁾
	Low Mbbbl/MMcf	Median Mbbbl/MMcf	Mean Mbbbl/MMcf	High Mbbbl/MMcf	Mbbbl/MMcf
Crude Oil					
415 – Upper Zone ⁽⁴⁾	733	3,178	5,417	13,086	1,092
450 – Middle Zone ⁽⁴⁾	2,260	5,953	7,499	14,799	2,117
490 – Lower Zone ⁽⁴⁾	700	1,974	2,420	4,734	683
Total ⁽³⁾⁽⁴⁾⁽⁵⁾	6,614	13,073	15,336	27,368	3,892
Natural Gas					
415 – Upper Zone ⁽⁴⁾	166	692	1,238	3,037	250
450 – Middle Zone ⁽⁴⁾	520	1,359	1,726	3,421	487
490 – Lower Zone ⁽⁴⁾	161	440	555	1,104	157
Total ⁽³⁾⁽⁴⁾⁽⁵⁾	1,513	3,044	3,519	6,431	893
BOE ⁽⁵⁾					
415 – Upper Zone ⁽⁴⁾	761	3,293	5,623	13,592	1,134
450 – Middle Zone ⁽⁴⁾	2,347	6,180	7,787	15,369	2,198
490 – Lower Zone ⁽⁴⁾	727	2,047	2,512	4,918	709
Total ⁽³⁾⁽⁴⁾⁽⁵⁾	6,866	13,581	15,922	28,440	4,040

- (1) There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.
- (2) The risked resources have been risked for chance of discovery and risked for the chance of development. The chance of development is defined as the probability of a project being commercially viable. Quantifying the chance of development requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social licence, internal and external approvals and commitment to project finance and development timing. As many of these factors are extremely difficult to quantify, the chance of development is uncertain and must be used with caution. After considering all of the relevant factors the chance of development was determined to be 70 percent.
- (3) Total based on the probabilistic aggregation of three zones within the LG structure.
- (4) Company gross resources are based on working interest share of the property gross resources.
- (5) Based on a Mcf to BOE conversion of 6 to 1.

McDaniel conducted a review of all available seismic, log, and general geological data provided by Sonoro for the LG-1 well previously drilled by Tately in the Budong-Budong PSC.

Sonoro is planning to drill one to two appraisal wells on the Budong-Budong PSC targeting a shallow (500m) Pliocene structure. One well, LG-1, was drilled on the block in 2011 by then operator, Tately, and encountered numerous oil and gas shows over the shallow section. Tately's LG-1 well was originally planned and drilled, to target a significantly deeper structure where sands in the Eocene Formation were expected. The deep structure is offset from the shallow Pliocene structure, such that the Pliocene section penetrated by LG-1 is significantly down-dip from Sonoro's appraisal location, which is expected to be drilled at the crest of the Pliocene structure. Additionally, Sonoro's appraisal well is expected to penetrate thicker prospective sands in the Pliocene, as indicated in the report.

The Sonoro appraisal well will target three stacked Pliocene-aged sands, two of which had shows in the original LG-1 well, and an upper unit, that was not previously encountered that thickens up-dip to the appraisal location and is interpreted to be sand. There is relatively limited 2D seismic data across the structure, but Sonoro has prepared a seismic interpretation of the prospective horizons.

All of the prospective resources assigned as part of this assessment have been estimated probabilistically as this is the most appropriate method given the high degree of uncertainty in the various input parameters. Distributions of the various reservoir and fluid parameters were determined, based on data from the existing LG-1 well, seismic and general worldwide data.

Calculations of the un-risked OOIP/OGIP and recoverable resources were prepared independently for the Upper, Middle and Lower sands and then probabilistically aggregated to the overall prospect level.

In all cases, the high estimate (P10) was based on the largest structural closure and the low estimate (P90) was based on a P10/P90 ratio of four. The Middle and Lower sands are conformable so the same area was used, however, a smaller area was used for the Upper sand as it does not exist in the original LG-1 well. A geometric correction factor (frequently referred to as a shape factor) was used to account for the reduction in gross interval at the edges of the field. Most of the other parameters for the Middle and Lower sands were varied to reflect the uncertainty observed in the nearby well. It was more difficult to define parameters for the Upper sand, as this was not encountered in the LG-1 well. McDaniel reviewed the wells in a nearby anticline which suggested a gross thickness of approximately 120 feet. However, the seismic interpretation over the LG structure appears to show an additional package of sands that may also exist so a gross thickness of 100 metres was used as a P10 estimate. A P10/P90 ratio of 10 was used due to the high uncertainty of this zone which gave a reasonable minimum and a mean which was in line with the gross thickness from the wells in the nearby anticline. Regionally, the Upper sand tends to be a better sand package so it is expected to have a

better net to gross than the other two sands. The hydrocarbon type is expected to be a light oil with a solution gas-oil ratio in the order of 200 to 400 scf/bbl. The sparse wireline pressure data suggests relatively low permeability and there is considerable uncertainty in whether there will be any aquifer support. After considering all of the relevant factors the crude oil recovery factor was varied from 10 to 30 percent.

The prospects were risked using five parameters: source, migration, reservoir, structure (or trap) and seal. The overall geological chance of success is the product of these individual parameters and was used to determine the risked mean resources.

The most significant geological risk for the LG prospect is reservoir quality, particularly the presence in the Upper sands. The secondary risks would be structure and seal although the 2D seismic appears to be reasonable quality and indications of over-pressure suggest there should be an adequate top seal.

The chance of development is defined as the probability of a project being commercially viable. Quantifying the chance of development requires consideration of both economic contingencies and other contingencies, such as legal, regulatory, market access, political, social license, internal and external approvals and commitment to project finance and development timing. As many of these factors are extremely difficult to quantify, the chance of development is uncertain and must be used with caution. As a rule a project will have an increased chance of development as it passes up the project maturity sub-classes.

A potential development project of the LG structure is only possible if Sonoro is able to secure a contract extension past January 2017. According to Sonoro, verbal discussions with the government have been positive with the government indicating a willingness to grant a contract extension provided Sonoro could demonstrate that they are serious and working towards development. As a result, Sonoro has undertaken further efforts on the drilling program, identification of drilling rigs, and commenced an environmental assessment and CSR. Given the nearby ports, the early export option would be to truck and barge. Standard treatment and storage facilities will be required for development and given the remoteness the plan is to build pre-constructed modules.

McDaniel has not assessed the economics of a potential development, however, there is a reasonable likelihood that if a discovery is made that it will exceed the minimum commercial threshold, particularly when considering the significant cost recovery pool available. Sonoro believes development funding is available in the public markets or other farm-in structures and is currently seeking funding to carry out the first phase of appraisal. After considering all of the relevant factors, the chance of development was estimated to be 70 percent.

Forward Looking Information

This material change report contains forward looking information, including, but not limited to, estimated resources and the potential for production or reserves being derived

from Sonoro's Budong Budong project. The forward looking information is based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to risks associated with the oil and gas industry (e.g. operational risks in development, exploration and production delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of resource estimates; the uncertainty associated with geological interpretations; the uncertainty of estimates and projections in relation to production, costs and expenses and health, safety and environmental risks), political and security risk in Indonesia, the risk of commodity price and foreign exchange rate fluctuations, risks associated with the implementation of new technology, risks associated with obtaining, maintaining and the timing of receipt of regulatory approvals, permits, and licenses, uncertainties relating to access to capital markets and the risk of volatile global economic conditions.

Statements relating to resources are deemed to be forward looking information, as they involve the implied assessment, based on certain estimates and assumptions that the resources described exist in the quantities predicted or estimated. The resources estimates of Sonoro's Budong Budong exploration project described herein are estimates only. The actual resources at the Budong Budong exploration project may be greater or less than those calculated.

Due to the risks, uncertainties and assumptions inherent in forward looking information, prospective investors in the Company's securities should not place undue reliance on forward looking information. Forward looking information contained in this material change report is made as of the date hereof and are subject to change. The Company assumes no obligation to revise or update forward looking information to reflect new circumstances, except as required by law.

6. **RELIANCE ON SUBSECTION 7.1(2) OR (3) OF NATIONAL INSTRUMENT 51-102**

Not applicable.

7. **OMITTED INFORMATION**

No information has been intentionally omitted from this form.

8. **EXECUTIVE OFFICER**

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

Richard Wadsworth,
Chief Executive Officer
Sonoro Energy Ltd.
Suite 600, 520 - 5th Avenue SW
Calgary, AB T2P 3R7

Telephone: (403) 262-3252

9. **DATE OF REPORT**

DATED at Calgary, Alberta this 18th day of November, 2016.