FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Seair Inc. (“Seair” or the “Company”)
9554 Yellowhead Trail
Edmonton, Alberta
T5G 0W4

2. **Date of Material Change**

May 28, 2012

3. **News Release**

A news release announcing the material change referred to in this report was disseminated on May 29, 2012 via Canada Newswire (the “News Release”).

4. **Summary of Material Change**

On May 29, 2012 Seair announced a proposal to amend the terms of its 8% secured, subordinate, convertible, redeemable debentures (“Debentures”) originally issued pursuant to the trust indenture between Seair and CIBC Mellon Trust Company (the “Trust Indenture”) dated June 21, 2007 to extend the Maturity Date (as defined in the Trust Indenture) to October 31, 2012 and to increase the interest rate from 8% to 10%.

5. **Full Description of Material Change**

On May 29, 2012 Seair announced a proposal to amend the terms of its Debentures to extend the Maturity Date to October 31, 2012 and to increase the interest rate from 8% to 10%. Seair is currently exploring different financing alternatives, which may include a private placement financing, a rights offering to existing Seair shareholders, and/or other forms of financing available to Seair, prior to the proposed October 31, 2012 amended Maturity Date. In addition, Seair intends to provide its’ debentureholders (“Debentureholders”) with the opportunity to exchange their Debentures for new debentures on or before October 31, 2012 incorporating conversion pricing consistent with the share pricing on any anticipated financing activities.

Management of Seair believes that the proposed amendments will benefit both the Company and Debentureholders by:

1. avoiding the risk the Company will not have sufficient cash resources to payout the Debentures on June 21, 2012;

2. permitting the Company to build on momentum from the revitalization and complete deployment of the fleet of portable wastewater treatment units as achieved in winter 2012;

3. providing an extended period whereby Debentureholders shall continue to receive a return on their investment; and

4. providing Debentureholders with an opportunity to exchange their Debentures for

new debentures with pricing and terms in line with the anticipated private placement.

To become effective, in addition to the approval of the TSX Venture Exchange, the proposed amendments require approval by way of Extraordinary Resolution (as defined in the Trust Indenture) passed at a meeting of Debentureholders called and held in accordance with the terms of the Trust Indenture.

As such, the Company has called a meeting of its Debentureholders for June 20, 2012 at 2:00 p.m. to be held at: Livingston Place Conference Centre, Room B, 222 - 3rd Avenue SW, Calgary, Alberta.

The Company has prepared a Notice and Information Circular dated May 20, 2012 (the "Circular") giving full particulars of the proposed amendments. The Circular together with a form of proxy and letter to Debentureholders was mailed to Debentureholders on May 28, 2012, and has been filed on and is also accessible at, www.sedar.com.

Subsequent to the mailout referenced above, it came to the attention of Seair that the reference to the extension of the Maturity Date in paragraph 1 of the extraordinary resolution as set out in the Circular was inconsistent (reading December 21, 2012) with all other references thereto. By way of the News Release Debentureholders were directed to read all references to the extension of the Maturity Date as an extension to October 31, 2012. A supplemental mailout clarifying this inconsistency was delivered to Debentureholders on May 30, 2012.

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

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

For further information please contact Harold Kinasewich, President and Chief Executive Officer of Seair at 780-960-6040 or by email at Harold@seair.ca.

9. **Date of Report**

May 31, 2012.