

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Saturn Oil & Gas Inc.
1130 – 400 Burrard Street
Vancouver, BC V6C 3A6

Item 2 Date of Material Change

September 29, 2017

Item 3 News Release

A News Release was issued in Vancouver, British Columbia on September 29, 2017 and distributed through Stockwatch.

Item 4 Summary of Material Change

Saturn Oil & Gas Inc. has received its Corporate Reserves Estimation and Economic Evaluation from Deloitte LLP for its Lucky Hills Viking assets and Flaxcombe Success heavy oil assets.

Item 5 Full Description of Material Change

See attached news release.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Contact: John Jeffrey, President & CEO
Telephone: (306) 291-2461

Item 9 Date of Report

October 2, 2017

NEWS RELEASE

Saturn Oil + Gas Inc. Announces Results of Corporate Reserves Evaluation

SASKATOON, SASKATCHEWAN – September 29, 2017 - Saturn Oil + Gas Inc. (“Saturn” or the “Company”) (TSX.V: SMI) (FSE: SMK) is pleased to announce that on September 27th, 2017 the Company received its Corporate Reserves Estimation and Economic Evaluation from Deloitte LLP (“Deloitte”) for its Lucky Hills Viking assets and Flaxcombe Success heavy oil assets. Saturn is pleased to announce 307 thousand net barrels in proved plus probable reserves (“2P”), a before tax undiscounted net present value of \$6.98 million.

Recent Corporate Overview

- In early 2017, Saturn acquired 640 acres of Viking land in the Lucky Hills area and 3,200 gross acres of Success heavy oil land in the Flaxcombe area. These acquisitions were a reflection of new management and new board of directors transitioning the corporate strategy of the Company.
- Saturn’s technical team has identified targets for horizontal development at Lucky Hills, as well as a re-completion and a horizontal target at Flaxcombe. The Company re-completed its first well at Flaxcombe in late August 2017 and will be re-completing a second well in late September. Additionally, the Company will spud its first Viking horizontal well at Lucky Hills in early October.
- Saturn has closed C\$2.0 million in convertible notes, with proceeds allocated to executing the above-mentioned re-completion and horizontal well over the next month.

Highlights of Saturn’s Corporate Reserves Evaluation

As a result of recent developments discussed above, Saturn engaged Deloitte as its independent qualified reserves evaluator, to perform a corporate reserves evaluation effective August 31th, 2017 on its Lucky Hills and Flaxcombe assets (the “Evaluations”).

Highlights of the Evaluations:

- Total proved reserves (“1P”) volumes of 129 thousand net barrels of oil.
- Total 2P reserves volumes of 307 thousand net barrels of oil.
- Total 1P reserves undiscounted at \$2.11 million using Deloitte June 30th, 2017 price deck and forecasted costs.
- Total 2P reserves undiscounted at \$6.98 million using Deloitte June 30th, 2017 price deck and forecasted costs.
- As per **Figure 1** below, Saturn has booked three (3) locations on a 1P basis and booked six (6) locations on a 2P basis at Lucky Hills.
- As per **Figure 2** below, Saturn has booked one (1) location on a 1P basis and booked two (2) locations on a 2P basis at Flaxcombe. The assigned 2P reserves are for one (1) horizontal well and one (1) recompletion. Additionally, the recent recompletion of 121/01-13 well is booked as proved developed and producing (“PDP”).
- Saturn has now booked 1P reserves and 2P reserves on its Lucky Hills and Flaxcombe assets. In addition to these bookings, management believes there is additional un-booked prospective Viking potential on portions of its Flaxcombe assets.
- Corporate Reserves Evaluation from Deloitte was prepared in accordance with the COGE Handbook. At yearend, the Company will provide updated reserves in the form of a NI 51-101.
- Saturn’s land with 1P & 2P reserves are held with Westcore Energy Ltd., a 50% working interest partner.

Figure 1 – Saturn’s Lucky Hills Lands with Proved and Proved Plus Probable Reserves Booked

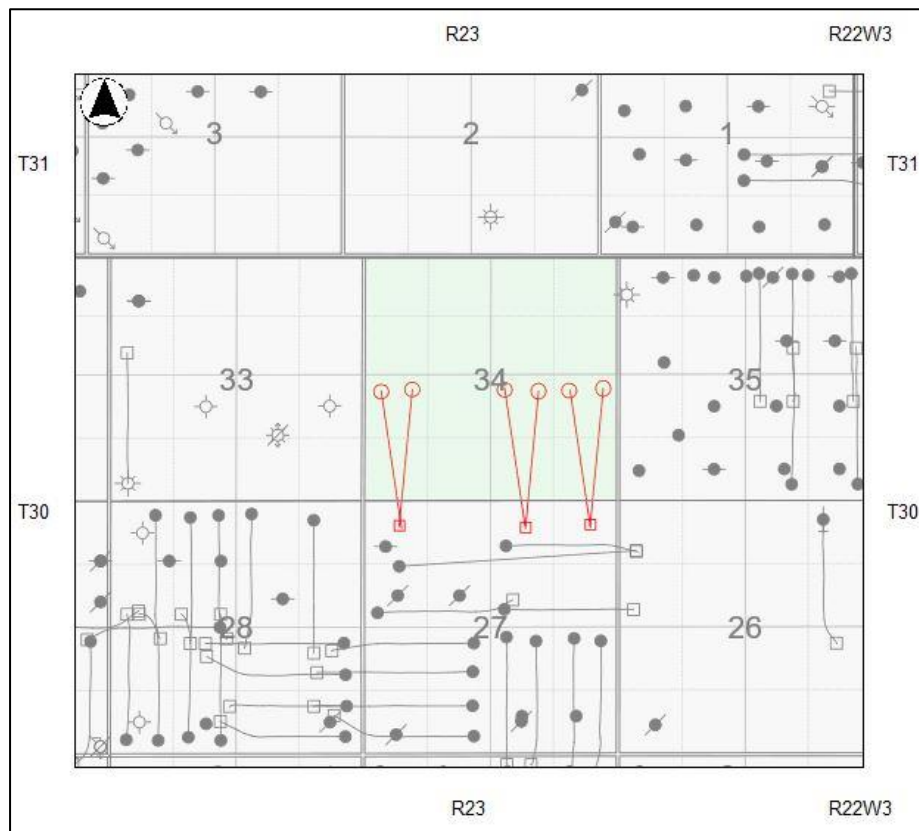
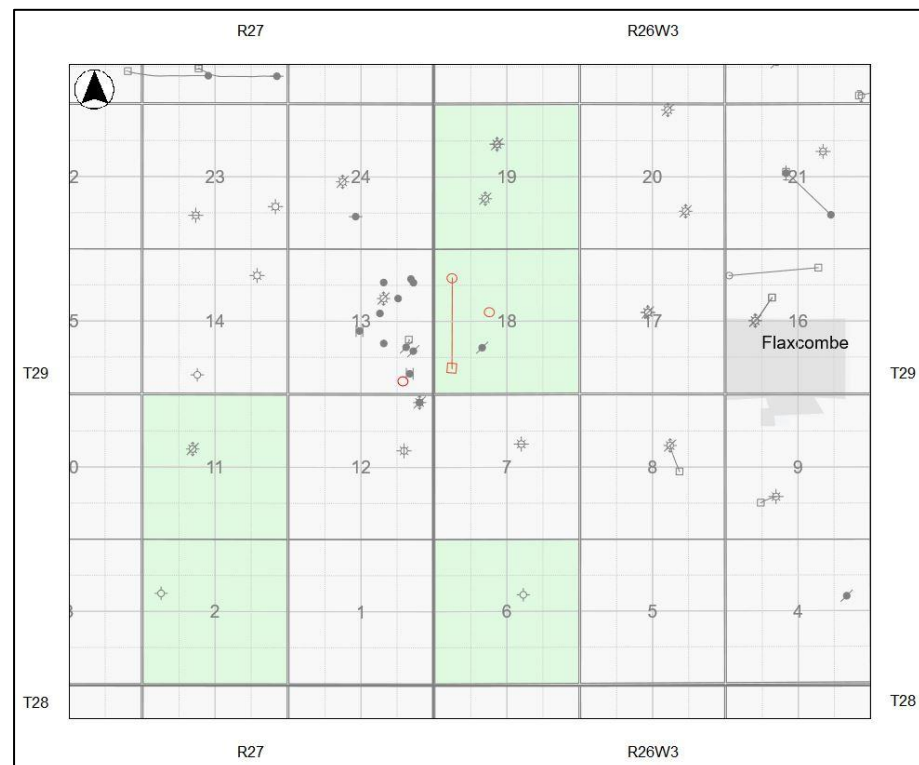


Figure 2 – Saturn’s Flaxcombe Lands with Proved and Proved Plus Probable Reserves Booked



Notes

- The Reserve Report contemplates 8 undeveloped 1P drilling locations.
- The Reserve Report contemplates 9 undeveloped 2P drilling locations.
- All reserve volumes above are reported on a company net basis.
- Drilling and completions cost per location contemplated in the Evaluations range from \$750,000 to \$1,000,000.
- The Evaluations forecast 2P estimate ultimate recoverable volumes of 41,800 bbl oil per undeveloped Viking location at Lucky Hills and 94,300 bbl oil per undeveloped Success horizontal at Flaxcombe.
- See “Advisories and Forward-Looking Information” below for a discussion regarding the risks and the level and uncertainty associated with reserves Evaluations.

About Saturn Oil + Gas Inc.

Saturn Oil + Gas Inc. (TSX.V: SMI) (FSE: SMK) is a public energy Company focused on the acquisition and development of undervalued, low risk assets. Saturn is driven to build a strong portfolio of cash flowing assets with strategic land positions. De-risked assets and calculated execution will allow Saturn to achieve growth in reserves & production through retained earnings. Saturn's portfolio will become its key to growth and provide long-term stability to shareholders. To learn more, please contact the Company at +1 (306) 955-9946 or visit: **www.saturnoil.com**

On Behalf of the Board of Directors
SATURN OIL + GAS INC.

John Jeffrey, MBA – CEO & Chairman

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. Certain statements contained herein constitute forward-looking statements. Such forward-looking statements are subject to both known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Except as required by law, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.

Advisories and Forward-Looking Information

FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated timing associated with certain drilling and completion activities, anticipated number of wells to be drilled throughout the balance of the year, and anticipated future drilling. In addition, the use of any of the words “guidance”, “initial”, “scheduled”, “can”, “will”, “prior to”, “estimate”, “anticipate”, “believe”, “potential”, “should”, “unaudited”, “forecast”, “future”, “continue”, “may”, “expect”, “project”, and similar expressions are intended to identify forward-looking statements. The forward-looking statements contained herein are based on certain key expectations and assumptions made by the Company, including but not limited to expectations and assumptions concerning the success of optimization and efficiency improvement projects, the availability of capital, current legislation, receipt of required regulatory approval, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, Saturn’s growth strategy, general economic conditions, availability of required equipment and services and prevailing commodity prices. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; as the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations, changes in legislation affecting the oil and gas industry and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

CAUTION RESPECTING DRILLING LOCATIONS: This press release discloses drilling locations in three categories: (i) proved locations; (ii) probable locations; and (iii) unbooked locations. Proved locations and probable locations are derived from the Company's most recent independent reserves evaluation as prepared by Deloitte effective August 31, 2017 and account for drilling locations that have associated proved and/or probable reserves, as applicable. Unbooked locations are internal estimates based on the Company's prospective acreage and an assumption as to the number of wells that can be drilled per section based on industry practice and internal review. Unbooked locations do not have attributed reserves or resources. Of the 9 drilling locations of the Company identified herein, 8 are proved locations and 1 is a proven plus probable location. Unbooked locations have been identified by management based on evaluation of applicable geologic, seismic, engineering, production and reserves information. There is no certainty that the Company will drill all unbooked drilling locations and if drilled there is no certainty that such locations will result in additional oil and gas reserves, resources or production. The drilling locations on which we actually drill wells will ultimately depend upon the availability of capital, regulatory approvals, seasonal restrictions, oil and natural gas prices, costs, actual drilling results, additional reservoir information that is obtained and other factors. While certain of the unbooked drilling locations have been derisked by drilling existing wells in relative close proximity to such unbooked drilling locations, the majority of other unbooked drilling locations are farther away from existing wells where management has less information about the characteristics of the reservoir and therefore there is more uncertainty whether wells will be drilled in such locations and if drilled there is more uncertainty that such wells will result in additional oil and gas reserves, resources or production.