FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Saturn Oil & Gas Inc. ("**Saturn**" or the "**Company**")
Suite 101 - 3239 Faithfull Avenue
Saskatoon, SK
S7K 8H4

Item 2 Date of Material Change

July 17, 2018

Item 3 News Release

A News Release was issued on July 18, 2018 and distributed through GlobeNewswire on July 18, 2018.

Item 4 Summary of Material Change

Saturn closed the brokered and final tranche of a private placement financing (the "**Private Placement**") by issuing 12,563,634 units (a "**Unit**") at a price of $0.12 per Unit and 7,786,700 common shares issued on a flow-through basis (a "**Flow-Through Share**") at a price of $0.12 per Flow-Through Share for gross aggregate proceeds of $2,441,902.00 Each Unit consists of one common share (a "**Common Share**") of the Company and one common share purchase warrant (a "**Warrant**") exercisable into one Common Share at a price of $0.18 per Warrant for a period of 24 months from the closing date.

The Private Placement, inclusive of prior non-brokered tranches, consisted in the aggregate of 7,786,700 Flow-Through Shares and 25,852,800 Units for total gross proceeds of $4.04 million.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Saturn closed the brokered and final tranche of a private placement financing by issuing 12,563,634 Units at a price of $0.12 per Unit and 7,786,700 Flow-Through Shares for gross aggregate proceeds of $2,441,902.00. Each Unit consists of one Common Share and one Warrant exercisable into one Common Share at a price of $0.18 per Warrant for a period of 24 months from the closing date.

The Private Placement was brokered by Canaccord Genuity Corp. and Gravitas Securities Inc. (together "**the Agents**"). The Agents were paid a commission comprised of a cash fee in the amount of $195,351 and issued an aggregate of 1,627,947 Agents' unit options. Each Agents' unit option is exercisable into one Unit at a price of $0.12 per Unit for a period of 24 months from the date hereof.

The private placement, inclusive of prior non-brokered tranches, consisted in the aggregate of 7,786,700 Flow-Through Shares and 25,852,800 Units for total gross proceeds of $4.04 million.

All securities issued under the Private Placement and to the Agents, including securities issuable on exercise thereof, are subject to a hold period expiring four months and one day from the date of issuance.

The following supplementary information is provided in accordance with Section 5.2 of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"):

a) **a description of the transaction and its material terms:**

The Company announced a combination brokered and non-brokered private placement offering (the "**Offering**") of a minimum of $3,500,000 and a maximum of $5,000,000 in a combination of common shares issued on a flow-through basis (the "**Flow Through Shares**") and units (the "**Units**"), each Unit consists of one common share (a "**Common Share**") of the Company and one Common Share purchase warrant (a "**Warrant**") exercisable into one Common Share of the Company at a price of $0.18 per Warrant for a period of 24 months from the closing date. Canaccord Genuity Corp. ("**Canaccord**") was engaged as lead agent to complete the Offering on a best-efforts basis and Gravitas Securities Inc. ("**Gravitas**") was subsequently engaged to act as co-lead with Canaccord (collectively the "**Agents**").

The Company has also granted the Agents an option to sell additional Flow-Through Shares and Units on the same terms as the Offering to raise additional gross proceeds of up to $2,000,000 (the "**Over-Allotment Option**").

Saturn announced that it has received $2,441,902.00 from closing of the brokered tranche on July 17, 2018.

b) **the purpose and business reasons for the transaction:**

The net proceeds will be used for the development drilling of its Viking light oil and Success heavy oil assets near Kindersley, Saskatchewan.

c) t**he anticipated effect of the transaction on the issuer's business and affairs:**

See #5(b) above. The drilling of these wells will allow for the Company to take a significant step forward in developing its oil and gas assets.

d) **a description of:**

i. the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties:

Under the non-brokered second tranche closing of the Offering John Jeffrey, an officer and a director of the Company, purchased 2,708,000 Units and Scott Newman, an officer and a director of the Company, purchased 833,333 Units.

ii. the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change in that percentage:

As a result of the issuance of the Units to John Jeffrey, Mr. Jeffrey has ownership and control, directly, of 2,708,000 Common Shares and 2,708,000 Warrants of the Company, representing approximately 1.387% of the issued and outstanding Common Shares of the Company on a non-diluted basis. As a result of the issuance of the Units to Scott Newman, Mr. Newman has ownership and control, directly, of 833,333 Common Shares and 833,333 Warrants of the Company, representing approximately 0.427% of the issued and outstanding Common Shares of the Company on a non-diluted basis.

e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee:

A resolution of the board of directors of the Company authorized the brokered portion of the Offering was passed on July 1, 2018.

f) A summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction:

N/A

g) disclosure, in accordance with section 6.8, of every prior valuation in respect of the issuer that relates to the subject matter of or is otherwise relevant to the transaction

i. **that has been made in the 24 months before the date of the material change report:**

   N/A

ii. **the existence of which is known, after reasonable enquiry to the issuer or to any director or officer of the issuer:**

   N/A

h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction:

N/A

i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions:

The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contain in sections 5.5(a) and 5.7(1)(a) of MI 61-101 as neither the fair market value of the securities to be distributed in the Offering nor the consideration to be received for those securities, in so far as the Offering involves the insiders, exceeds 25% of the Company's market capitalization

5.2 Disclosure for Restructuring Transactions

N/A

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

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

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CEO
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E-mail: jjeffrey@saturnoilcom

Item 9 Date of Report

July 20, 2018