

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company

Albion Petroleum Ltd. (“Albion”)
Suite 650, 340 - 12 Ave., S.W.
Calgary, AB T2R 1L5

2. Date of Material Change

January 1, 2012

3. News Release

A press release was disseminated on December 30, 2011 via Stockwatch.

4. Summary of Material Change

Albion appointed Hill and Richardson as new directors.

5. Full Description of Material Change

5.1. Full Description of Material Change

Albion announced that the appointment of Benjamin Hill and Jeddiah Richardson to the Board of Directors of the Albion effective January 1, 2012. Albion is looking forward to working with Mr. Hill and Mr. Richardson.

Benjamin Hill, 36 qualified as a Barrister in 1997 spending time in private practice and at in-house roles with a variety of investment banks before joining RAB Capital in 2004. During his time at RAB, Mr. Hill worked primarily on the RAB Special Situations Fund, a globally focused natural resource investment fund, helping develop the private side of the fund through the origination, negotiation and structuring of new investments on behalf of the fund. Mr. Hill worked continuously with the management teams in a variety of businesses, and has held a board position on one of the fund's larger investments until 2010. Mr. Hill left RAB in July 2011 having first helped RAB to restructure the fund to increase liquidity for its shareholders. Mr. Hill has since moved on to start his own business providing consulting services to a number of junior mining companies.

Mr. Hill has worked with David Shaw, the President of Albion, for the past 7 years on a variety of deals that RAB had historically invested in and looks forward towards being part of the team that will develop and grow Albion in the future for the benefit of its shareholders.

Jeddiah (Jed) Richardson, 36, is principal partner and founder of Javelin Partners, a Toronto based small cap focused corporate development advisory firm. His expertise in the mining industry extends to the corporate strategy, equity valuation research and operational realms alike. Mr. Richardson also holds the title of VP Corporate Development at Verde Potash, a Brazil focused fertilizer development company. Prior to joining Verde in 2008, Mr. Richardson was a mining analyst with Cormark Securities, focused on precious metals. He has 8 years experience in mining research with Cormark/Sprott Securities (5 years) and RBC Capital Markets (3 years), covering precious and base metal equities of small and large capitalization. He has served on the

Board of Directors of Great Quest Metals since 2010. Mr. Richardson worked as a Mining Engineer for Alcan Aluminum after graduating from the University of Toronto. He holds a B.A.Sc. in mineral and geological engineering.

5.2. **Disclosure for Restructuring Transactions**

Not Applicable.

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

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

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

David Shaw – Chief Executive Officer and a director of Albion
Telephone: (604) 221-4828

9. **Date of Report**

January 3, 2012