FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Solara Exploration Ltd. (“Solara” or the “Company”)
1800, 444 – 5 Avenue SW
Calgary, AB T2P 2T8

Item 2. Date of Material Change

July 19, 2011

Item 3. News Release

A press release reporting the material change, a copy of which is attached, was issued by the Company at Calgary, Alberta through the services of Marketwire on July 19, 2011.

Item 4. Summary of Material Change

The Company announced that it recently participated in the completion and stimulation of a horizontal Cardium well located at Lsd. 8-17-45-5 W5M in the Buck Lake (Pembina) area of Alberta, in which the Company owns a 20.67% working interest. The well was placed on production on June 29, 2011 and continued to flow and produce at average rates of approximately 700 BOED comprised of 580 bbls/d of oil and 720 Mcf/d of natural gas per day for the first fourteen days. As at July 12, 2011, the well continued to produce approximately 464 BOED at a tubing pressure of 1,700 kpa. Initial production rates may not be reflective of sustainable daily production rates and future production rates may differ materially from the production rates reflected in this press release. Based on Management’s technical assessment, Solara has five additional horizontal Cardium development drilling locations on its lands in the Buck Lake (Pembina) area of which the Company plans to operate and drill two locations with the first well (20% working interest) scheduled later this month and the second well (100% working interest subject to GOR) to be drilled in August.

The Company also advises that it recently drilled and cased a potential oil well on its Borradaile project in eastern Alberta. Solara plans on completing and equipping the well for production within the next few weeks. This well is the second well to be drilled on the Borradaile project since the original discovery well was drilled in March, 2011. In addition, Solara has drilled and cased a potential oil well on its Rivercourse property located in eastern Alberta. The Company plans to undertake completion operations before the end of July. Solara owns a 100% working interest in the Borradaile well and 94% in the Rivercourse well.

Item 5. Full Description of Material Change

See attached News Release.

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

Not Applicable.

Item 7. Omitted Information

None.

Item 8. **Executive Officer**

Donald R. Holding, President and Chief Executive Officer
1800, 444 – 5 Avenue SW
Calgary, AB T2P 2T8
Telephone: (403) 534-0458

Item 9. **Date of Report**

July 19, 2011

For Immediate Release **Tuesday, July 19, 2011**
Calgary, Alberta **TSXV Trading Symbol: SAA.A**
76,301,402 Class A Shares

SOLARA EXPLORATION PROVIDES UPDATE ON DRILLING AND COMPLETION OPERATIONS

CALGARY, ALBERTA – July 19, 2011. Solara Exploration Ltd. ("Solara" or the "Company") announces that it recently participated in the completion and stimulation of a horizontal Cardium well located at Lsd. 8-17-45-5 W5M in the Buck Lake (Pembina) area of Alberta, in which the Company owns a 20.67% working interest. The well was placed on production on June 29, 2011 and continued to flow and produce at average rates of approximately 700 BOED comprised of 580 bbls/d of oil and 720 Mcf/d of natural gas per day for the first fourteen days. As at July 12, 2011, the well continued to produce approximately 464 BOED at a tubing pressure of 1,700 kpa. Initial production rates may not be reflective of sustainable daily production rates and future production rates may differ materially from the production rates reflected in this press release. Based on Management's technical assessment, Solara has five additional horizontal Cardium development drilling locations on its lands in the Buck Lake (Pembina) area of which the Company plans to operate and drill two locations with the first well (20% working interest) scheduled later this month and the second well (100% working interest subject to GOR) to be drilled in August.

The Company also advises that it recently drilled and cased a potential oil well on its Borradaile project in eastern Alberta. Solara plans on completing and equipping the well for production within the next few weeks. This well is the second well to be drilled on the Borradaile project since the original discovery well was drilled in March, 2011. In addition, Solara has drilled and cased a potential oil well on its Rivercourse property located in eastern Alberta. The Company plans to undertake completion operations before the end of July. Solara owns a 100% working interest in the Borradaile well and 94% in the Rivercourse well.

About Solara Exploration

Solara Exploration focuses on the exploration, development and production of oil and gas properties within its core areas in the Buck Lake (Pembina) area and two oil projects in the Dewberry and Borradaile areas of eastern Alberta. Solara is a publicly traded junior oil and gas company listed on the TSXV under the trading symbol SAA.A. More information is available on the Company's website at www.solaraexploration.com.

For further information please contact:

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BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

This news release may contain certain forward-looking statements, including management's assessment of future plans and operations, and capital expenditures and the timing thereof, that involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. Such risks and uncertainties include, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.