FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Challenger Energy Corp. ("**Challenger**")
Suite 200, 744 – 4th Avenue S.W.
Calgary, Alberta T2P 3T4

Item 2. Date of Material Change

February 5, 2009.

Item 3. News Release

A news release was disseminated through the services of Marketwire on February 5, 2009.

Item 4. Summary of Material Change

Challenger announced that its Board of Directors has appointed a special committee of directors (the "**Special Committee**") with a mandate to undertake a process to evaluate the various strategic alternatives available to the Company. In this regard, the Special Committee has retained Peters & Co. Limited as its financial advisor to assist in the review process.

Item 5.1 Full Description of Material Change

Challenger announced that its Board of Directors has appointed a Special Committee with a mandate to undertake a process to evaluate the various strategic alternatives available to Challenger. In this regard, the Special Committee has retained Peters & Co. Limited as its financial advisor to assist in the review process.

The Special Committee has been formed to examine all alternatives available to Challenger, including the sale of Challenger, in order to ensure that shareholder value is maximized and to address Challenger's $14 million bridge facility. Operations are nearly complete with respect to the initial exploration phase of Block 5(c), offshore Trinidad and Tobago. Challenger is paying one third of the costs of the initial exploration program on Block 5(c) to earn a 25% interest in the production sharing contract covering Block 5(c).

Challenger, along with its partners, Canadian Superior Energy Inc. and, BG International Limited, a wholly owned subsidiary of the BG Group plc are continuing preparations to conduct flow testing on the "Endeavour" well on Block 5(c). As previously announced, the main targeted zone for this well has been encountered and has been evaluated with a full suite of electric wireline logs; and operations are proceeding to flow test the well.

All operations on the Endeavour well are estimated to be completed near the end of February, to be followed by the release of the drilling rig. The data received to date from the "Endeavour" well has enabled the partners to further enhance their understanding of not only this particular well and its related structure, but also the overall development potential of the entire Block 5(c). Test information from the well is expected to confirm productive characteristics of the reservoir tested and the net pay encountered in the well.

In 2008, Challenger announced two separate natural gas discoveries on Block 5(c); in the "Victory" well, announced on January 14, 2008, and, in the "Bounty" well, announced on August 13, 2008. The information from the three exploration wells drilled on Block 5(c), along with the extensive 3D seismic coverage of Block 5(c) and nearby fields, encourages moving forward with the further appraisal of resources discovered and development planning.

This material change report contains forward-looking information, including estimates, projections, interpretations, prognoses and other information that may or relates to future production, project start-ups and future capital spending. Actual results, estimates, projections, interpretations, prognoses and/or estimated results could differ materially due to changes in project schedules, operating performance, demand for oil and gas, commercial negotiations or other technical and economic factors or revisions. This material change report may contain the reference to the term "undiscovered natural gas resources", which are those quantities of natural gas estimated to be contained in accumulations yet to be discovered. There is no certainty that any portion of undiscovered resources will be discovered and that, if discovered, in this or any other discovery, the discovered resource may not be economically viable or technically feasible to produce.

Statements contained in this material change report relating to future results, events and expectations are forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements involve known and unknown risks, uncertainties, scheduling, re-scheduling and other factors which may cause the actual results, performance, estimates, projections, interpretations, prognoses, schedules or achievements of the Corporation, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, those described in the Corporations' annual reports on Form 20-F on file with the U.S. Securities and Exchange Commission.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable. This is not being filed on a confidential basis.

Item 7. Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8. **Executive Officer**

For further information, contact Dan MacDonald, Chief Executive Officer and President, Challenger Energy Corp. at (403) 503-8810 (phone) or (403) 503-8811 (fax).

Item. 9 **Date of Report**

February 12, 2009.