

**FORM 51-102F3**

***MATERIAL CHANGE REPORT***

**Item 1. Name and Address of Company**

CBM Asia Development Corp.  
(the "Company")  
Suite 404 – 815 Hornby Street  
Vancouver, BC V6Z 2E6  
Tel: (604) 684-2340 Fax: (604) 684-2474

**Item 2. Date of Material Change:**

November 1, 2011

**Item 3. Press Release:**

A press release was issued on November 2, 2011 and disseminated through the facilities of MarketWire.

**Item 4. Summary of Material Change:**

The Company announced that Qualified Reserves Evaluator Netherland, Sewell & Associates, Inc. (NSAI) has completed its coalbed methane resource estimate for the Sekayu Production Sharing Contract (PSC) in South Sumatra, Indonesia. The NSAI technical report can be found on the Company's website and on SEDAR.

**Item 5.1. Full Description of Material Change:**

See press release attached as Schedule "A"

**Item 5.2 Disclosure for Restructuring Transactions**

Not applicable

**Item 6. Reliance on subsection 7.1(2) or (3) of NI 51-102:**

Nothing on this form is required to be maintained on a confidential basis.

**Item 7. Omitted Information:**

None

**Item 8. Executive Officer:**

For further information, please contact Alan T. Charuk, President and Chief Executive Officer,  
Telephone: (604) 684-2340 Fax: (604) 684-2474 Toll Free: (866) 504-4755

**Item 9. Date of Report:**

November 3, 2011



November 2, 2011  
Vancouver BC

Trading Symbols:  
TSX.V: TCF  
FWB: IY2  
US: CBMDF

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## CBM Asia Announces Independent Estimate of Coalbed Methane Resources at Sekayu PSC, Indonesia

### 1,062 Bcf of Gross Recoverable Prospective Resources

VANCOUVER, BRITISH COLUMBIA, November 2, 2011 - CBM Asia Development Corp. ("CBM Asia" or the "Company") (TSX.V: TCF) (US: CBMDF) (FWB: IY2) announces that Qualified Reserves Evaluator Netherland, Sewell & Associates, Inc. (NSAI) has completed its coalbed methane resource estimate for the Sekayu Production Sharing Contract (PSC) in South Sumatra, Indonesia. The NSAI technical report can be found on the Company's website and on SEDAR. **Note: prospective resource estimates are not proved reserves. Please see further notes below for important disclosures on risks.**

CBM Asia's Chairman Scott H. Stevens noted, "We are pleased to disclose for the first time coalbed methane resources at Sekayu. These estimates -- prepared by respected third-party evaluator NSAI -- validate the thick coal seams, positive gas content results, and gas-to-surface that we have recently reported. Based on these results the Company is assisting operator Medco Energi to plan its pilot production program, with the goal to achieve commercial production in 2012, potentially increasing resources volumes and continuing the process of upgrading the resources to proved reserves status."

Mr. Stevens also noted "the resource results support CBM Asia's investment target of maximizing our return on exploration investment. Indeed to September 2011 the Sekayu consortium has spent approximately USD9.3 million -- inclusive of signature bonus - yielding an estimated 1,062 Bcf of recoverable prospective resources. The Sekayu PSC represents only 11% of CBM Asia's total coalbed methane net acreage in Indonesia and only 4.5% including the extensions under application on the Company's new interests in the Hulu and Bentian Besar PSC's. We believe CBM Asia's other properties offer a similar return on investment potential and that Resource Consulting International's upcoming resource estimate will provide further insight to the potential scale of the Company's overall resource base."

#### **Sekayu PSC: Resource Estimate**

Texas-based Netherland, Sewell & Associates, Inc. (NSAI) prepared the resource assessment of the Sekayu PSC as of September 30, 2011 in accordance with Canadian NI 51-101 standards and the COGE Handbook. NSAI has prepared numerous resource studies for CBM operators in Australia, China, Indonesia and other countries. Please see notes below for important disclosures on risks.

NSAI estimates the recoverable unrisks gross (100%) prospective gas resources for the Sekayu PSC as of September 30, 2011 as follows:

Prospect	Unrisks Gross (100%) Prospective Gas Resources (MMcf)		
	Low Estimate	Best Estimate	High Estimate
Sekayu Block	319,051	1,061,983	2,056,266

### **Important Notes**

1. A Production Sharing Contract (PSC) between CBM Asia and its Partners and the Indonesian Government executed for Sekayu gives CBM Asia and its Partners the right to explore for coalbed methane. If a commercial discovery is made, CBM Asia and its Partners have the right to develop and produce from Sekayu.
2. The above figures represent recoverable unrisks gross (100%) prospective gas resources for the Sekayu PSC as a whole and not CBM Asia's participating interest therein. CBM Asia has the right to acquire, indirectly, a 12% participating interest in the Sekayu PSC, together with the exclusive right to secure financing, indirectly, on behalf of an additional 12% participating interest in the Sekayu PSC.
3. The above prospective resources have been estimated using deterministic methods and are dependent on a CBM discovery being made. If a discovery is made and development undertaken, the approximate probability that the recoverable volumes will equal or exceed the unrisks estimated amounts is generally inferred to be 90% for the low estimate, at least 50% for the best estimate, and at least 10% for the high estimate.
4. Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. The chance of commerciality is the product of these two risk components. There is no certainty that any portion of the prospective resources will be discovered. If a discovery is made, there is no certainty that it will be developed or, if it is developed, there is no certainty as to the timing of such development or that it will be commercially viable to produce any portion of the prospective resources. Prospective gas resources are undiscovered resources that indicate exploration opportunities and development potential in the event a commercial discovery is made and should not be construed as reserves or contingent discovered resources.
5. For a further discussion of the risks and uncertainties associated with the recovery of unrisks prospective resources and other significant factors relevant to the above estimates, please refer directly to NSAI's technical report entitled "Estimates of Unrisks Gross (100 Percent) Prospective Gas Resources located in the Sekayu Block South Sumatra Basin, Indonesia as of September 30, 2011" filed on SEDAR at [www.sedar.com](http://www.sedar.com) and posted on the Company's website at [www.cbmasia.ca](http://www.cbmasia.ca).

### **ABOUT CBM ASIA DEVELOPMENT CORP.**

CBM Asia Development Corp. is a Canadian-based unconventional gas company with significant coalbed methane ("CBM") exploration and development opportunities in Indonesia. The Company holds various participating interests in four production sharing contracts (each a "PSC") for CBM in Indonesia. Indonesia has one of the largest CBM resources in the world with a potential 453 trillion cubic feet in-place, more than double the country's natural gas reserves (Stevens and Hadiyanto, 2004). Since 2008 more than 30 CBM PSCs have been granted by the Government of Indonesia, representing exploration commitments of over US\$100 million during the next 3 years. In addition to CBM Asia, other companies

active in CBM exploration in Indonesia include BP, Dart Energy, ENI, ExxonMobil, Medco, and TOTAL. BP, ENI, and the Indonesian government have confirmed that commercial CBM production started in March 2011 from the Sanga-Sanga PSC and is being exported from the Bontang LNG facility. The Company trades on the TSX Venture Exchange under the symbol "TCF". [www.cbmasia.ca](http://www.cbmasia.ca)

ON BEHALF OF CBM ASIA DEVELOPMENT CORP.

"Alan T. Charuk"

President & CEO

For further information on CBM Asia Development Corp., please contact Alan Charuk at (604) 684-2340, or (866) 504-4755, email [corpcom@cbmasia.ca](mailto:corpcom@cbmasia.ca) or visit our website at [www.cbmasia.ca](http://www.cbmasia.ca).

For investor relations contact: Micro Cap et al at 1 877 642 7622, or [info@microcapetal.com](mailto:info@microcapetal.com)

*Neither the 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.*

**CBM ASIA DEVELOPMENT CORP.**

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*This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. See "Risks and Uncertainties" in the Company's annual MD&A dated April 27, 2011 available on SEDAR at [www.sedar.com](http://www.sedar.com). These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required under applicable securities legislation. This news release does not constitute an offer to sell securities and the Company is not soliciting an offer to buy securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.*