FORM 51-102F3
Material Change Report

Item 1 Name and Address of Company

Tenaz Energy Corp. (“**Tenaz**”)
Suite 2500 – 605 Fifth Ave S.W.
Calgary, Alberta, T2P 3H5

Item 2 Date of Material Change

June 30, 2022.

Item 3 News Release

A press release with respect to the material change referred to in this report was issued by Tenaz and disseminated on June 30, 2022 through newswires in Canada.

Item 4 Summary of Material Change

On June 30, 2022, Tenaz announced the addition of a cash alternative (the “**Cash Alternative**”) to the previously announced all-share acquisition (the “**Transaction**”) of all of the issued and to be issued share capital of SDX Energy PLC (“**SDX**”). Under the terms of the Cash Alternative, SDX shareholders will retain the right to receive 0.075 common shares in the capital of Tenaz (“**Tenaz Shares**”) for each ordinary share in the capital of SDX (“**SDX Share**”), but will also be provided with an option to receive cash consideration for each SDX Share in lieu of receiving Tenaz Shares.

Item 5.1 Full Description of Material Change

On June 30, 2022, Tenaz announced the addition of a Cash Alternative in respect of the Transaction. Under the terms of the Cash Alternative, SDX shareholders will retain the right to receive 0.075 Tenaz Shares for each SDX Share, but will also be provided with an option to receive cash consideration for each SDX Share in lieu of receiving Tenaz Shares on the following terms:

- Each SDX shareholder retains the right to convert up to 100% of SDX Shares held to Tenaz Shares at the previously announced exchange ratio of 0.075 Tenaz Shares for each SDX Share.

- Each SDX shareholder will have the opportunity to elect to receive 11 pence per SDX Share for any or all of their SDX Shares, in cash and in lieu of receiving Tenaz Shares for the cash settled portion. SDX shareholders who elect to receive a portion of the Transaction proceeds in cash will receive Tenaz Shares at the exchange ratio of 0.075 Tenaz Shares for each one of the remainder of the non-elected SDX Shares that they hold.

- If no election is made within the election period, SDX shareholders will receive their consideration in the form of Tenaz Shares at the previously announced exchange ratio of 0.075 Tenaz Shares for each SDX Share.

Tenaz and SDX entered into an amendment agreement dated June 30, 2022 amending the co-operation agreement dated May 25, 2022, pursuant to which Tenaz and SDX agreed, among other things, to the addition of the Cash Alternative.

In connection with the financing of the cash consideration payable under the terms of the Cash Alternative, Tenaz entered into amended and restated commitment letter with ATB Financial on June 27, 2022 making available two facilities to provide total available liquidity of up to $20 million to facilitate cash consideration in relation to the Cash Alternative (the "**Credit Facilities**"). The Credit Facilities consist of two separate facilities, structured as follows: (a) a revolving primary facility in the principal amount of up to $10 million accruing interest at a rate of prime + 3.5% per annum and subject to redetermination at least annually with the next redetermination date expected December 31, 2022; and (b) a non-revolving facility in the principal amount of up to $10 million accruing interest at a rate of prime + 5.5% per annum until September 30, 2022 and prime + 7.5% per annum thereafter, repayable on or before December 31, 2022.

Full details of the Transaction are set out in the Tenaz information circular (the "**Circular**") dated June 30, 2022 in respect of the special meeting of Tenaz shareholders to be held on July 29, 2022 to approve the issuance of the Tenaz Shares pursuant to the Transaction. The Circular is available under Tenaz's profile at www.sedar.com and at www.tenazenergy.com.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, please contact Anthony Marino, President and Chief Executive Officer of Tenaz, at 587-330-1714.

Item 9 Date of Report

July 7, 2022.