

Form 51-102F3
Material Change Report

Name and Address of Company

Kivalliq Energy Corporation (the “Company” or “Kivalliq”)
1020 – 800 Pender Street W, Vancouver, BC V6C 2V6

Date of Material Change

October 27th, 2011

News Releases

The Company issued a news release on October 27th, 2011 and disseminated it through the facilities of CCN Matthews, filed with SEDAR, posted on the Company’s website (www.kivalliqenergy.com), and emailed to the Company’s internal database of interested persons.

Summary of Material Changes

The Company announced assay results from diamond drilling at the Eastern Extension, located 400 metres along strike and east of the high grade of the Lac Cinquante uranium deposit. Assay results are from 24 of the 44 holes drilled in total at the Eastern Extension. Assays are pending from an additional 20 drill holes at Eastern Extension.

Full Description of Material Change

The Company provided assay results from diamond drilling at the Eastern Extension, located 400 metres along strike and east of the high grade Lac Cinquante uranium deposit, located within the 225,000 acre Angilak Property in Nunavut, Canada.. Assay results disclosed in this release are from the first 24 of 44 holes drilled in total at the Eastern Extension.

Highlights include:

- 2.65% U₃O₈, 134.63 g/t Ag, 0.06% Cu, 1.67% Mo over 0.5 metres in 11-LC-094
- 2.33% U₃O₈, 61.40 g/t Ag, 0.16% Cu, 0.57% Mo over 0.4 metres in 11-LC-092
- 1.84% U₃O₈, 16.63 g/t Ag, 0.55% Cu, 0.07% Mo over 1.0 metres in 11-LC-096
- 1.00% U₃O₈, 27.75 g/t Ag, 0.09% Cu, 0.39% Mo over 1.0 metres in 11-LC-093
- 0.75% U₃O₈, 31.23 g/t Ag, 0.07% Cu, 0.46% Mo over 1.4 metres in 11-LC-084
- Eastern Extension strike length is 550 metres; future drilling will test along strike and to depth
- Assays pending from an additional 20 drill holes at Eastern Extension
(Estimated true widths - see assay results table below)

“The discovery of the Eastern Extension was the direct result of our RC drilling strategy,” stated President Jeff Ward. “These assays underpin the growing importance of the Lac Cinquante trend, and like the Western Extension, will go towards revising the resource estimate for Lac Cinquante by the end of Q1, 2012.”

Eastern Extension

The discovery of the Eastern Extension was initially made by testing a northwest trending linear VLF EM conductor similar to Lac Cinquante, using six reverse circulation (RC) holes drilled from three set-ups. Two diamond drills were then deployed to delineate the Eastern Extension, with 6,143 metres in 44 holes drilled from 13 set-ups spaced on 50 metre drill sections.

The results reported herein comprise the first set of assay results from 24 holes drilled at the Eastern Extension. The Eastern Extension has a drilled strike length of 550 metres and starts approximately 400 metres to the east, and along strike, of the Lac Cinquante main zone resource area.

All holes were drilled to the northeast with azimuths bearing 26 degrees, at inclinations between minus 45 and 90 degrees. 39 of 44 holes intersected anomalous radioactivity between 34 and 257 metres vertical depth. Both RC and diamond drilling have confirmed the continuation of the Lac Cinquante structure eastward with uranium mineralization occurring in a zone dipping roughly 72 degrees to the southwest. Additional assays from the Eastern Extension will be released upon receipt and review.

Mineralization is very similar to that found at Lac Cinquante, primarily hosted in the same hematite-carbonate-chlorite-graphite altered tuff unit. Uranium is associated with quartz-carbonate veining, breccia and sulphides within the sheared host rock.

For a summary of the 2011 exploration program at Angilak, please see news release from October 18, 2011. To view related cross sections and drill plan maps, please visit http://kivalliqenergy.com/projects/angilak/program_images/

Eastern Extension Assay Results

2011 Lac Cinquante Eastern Extension Drilling Program - Weighted Assay Results*									
Hole	From	To	Interval (m)	Est. True Width (m)	U ₃ O ₈	% Cu	% Mo	Ag (g/t)	Note
11-LC-066	87.6	94.8	7.2	N/A	0.46	0.09	0.05	11.9	Qtz Carb Vein
includes	91.9	94.0	2.1	N/A	1.49	0.15	0.05	25.6	Qtz Carb Vein
11-LC-067	65.7	67.2	1.5	1.2	0.57	3.08	0.18	55.2	Main Zone
11-LC-068	85.1	87.6	2.5	1.6	0.37	0.92	0.07	11.8	Main Zone
11-LC-068	80.3	80.6	0.3	N/A	0.43	0.04	0.11	6.2	Qtz Carb Vein
11-LC-069	130.0	130.4	0.4	0.2	0.22	0.03	0.07	10.4	Main Zone
11-LC-069	114.7	115.3	0.6	N/A	0.13	0.03	0.04	3.2	Qtz Carb Vein
11-LC-070	183.7	186.3	2.6	0.5	0.02	0.02	0.01	0.1	Main Zone
11-LC-071	69.7	73.0	3.3	2.7	0.03	0.88	0.02	40.2	Main Zone
11-LC-072	114.3	117.4	3.1	1.9	0.34	0.18	0.26	28.0	Main Zone
includes	114.6	115.2	0.6	0.4	1.62	0.49	0.63	69.3	Main Zone
11-LC-073	138.9	139.2	0.4	0.2	0.07	0.08	0.03	3.3	Main Zone
11-LC-074	82.9	84.2	1.3	1.3	0.28	0.71	0.32	59.0	Main Zone
11-LC-084	49.0	50.7	1.7	1.4	0.75	0.07	0.46	31.2	Main Zone
11-LC-085	79.5	79.9	0.4	0.2	0.29	0.02	0.17	10.3	Main Zone
11-LC-086	143.0	143.6	0.6	0.1	0.24	0.06	0.23	12.2	Main Zone
11-LC-087	60.2	61.4	1.2	1.0	0.01	0.06	0.01	4.1	Main Zone

11-LC-088	40.7	41.1	0.3	N/A	0.34	0.03	0.02	1.4	Qtz Carb Vein
11-LC-088	97.7	98.7	1.0	0.6	0.41	0.02	0.13	6.5	Main Zone
11-LC-089	136.6	138.5	1.9	0.7	0.76	0.18	0.59	47.4	Main Zone
11-LC-090	256.1	258.6	2.5	0.4	0.60	0.12	0.47	24.6	Main Zone
11-LC-091	70.6	71.0	0.4	0.4	0.74	0.21	0.10	11.8	Main Zone
11-LC-091	98.6	99.7	1.1	N/A	0.09	0.02	0.04	5.8	Qtz Carb Vein
11-LC-092	98.5	99.1	0.6	0.4	2.33	0.16	0.57	61.4	Main Zone
11-LC-093	127.2	129.1	1.9	1.0	1.00	0.09	0.39	27.8	Main Zone
11-LC-094	190.6	192.4	1.8	0.5	2.65	0.06	1.67	134.6	Main Zone
11-LC-095	61.9	62.3	0.4	0.3	0.34	0.04	0.02	3.4	Main Zone
11-LC-096	88.8	90.5	1.7	1.0	1.84	0.55	0.07	16.6	Main Zone
11-LC-097	106.6	107.5	0.9	N/A	1.26	0.18	0.09	7.2	Qtz Carb Vein
11-LC-097	110.5	114.0	3.5	N/A	0.59	0.04	0.03	2.0	Qtz Carb Vein
11-LC-097	133.3	134.0	0.6	0.3	0.47	0.46	0.52	47.6	Main Zone
11-LC-098	147.4	147.7	0.3	N/A	0.53	0.02	0.01	1.4	Qtz Carb Vein
11-LC-098	154.4	155.4	1.0	0.5	0.62	0.45	0.09	12.3	Main Zone

*All samples subject to ICP 1 Analysis by SRC in Saskatoon, SK. ICP1 results >1000 ppm U are subject to SRC U₃O₈ Assay; ICP1 results for Cu, Mo and Ag are reported by SRC in parts per million (ppm). 1 ppm = 1gm/t, 10000 ppm = 1%; Intervals include ICP U analysis in ppm converted to U₃O₈%. Conversion to U₃O₈% = ppm x 0.01179%. Estimate for true width of mineralization is based on the angle of surveyed drill hole and the apparent orientation of the zone at the intercept.

QA/QC

Samples from the 2011 drilling program comprised half split NQ drill core. All samples were analyzed for U₃O₈ and a multi-element suite by Saskatchewan Research Council (SRC) Geoanalytical Laboratories. The SRC facility operates in accordance with ISO/IEC 17025:2005 (CAN-P-4E), General Requirements for the Competence of Mineral Testing and Calibration laboratories and is accredited by the Standards Council of Canada. The samples are first analyzed by SRC's ICP-OES multi-element Uranium exploration ICP1 method. The method analyzes for multi-elements including Ag, Mo, Cu, Pb, Zn and a suite of rare earth elements. ICP results U>1000 parts per million (ppm) are analyzed using SRC's ISO/IEC 17025:2005-accredited U₃O₈ Assay method. Laboratory quality control (QC) includes a repeat analysis on every 20th sample. Repeat samples had good reproducibility. Kivalliq's QC included the insertion of blanks and standards into the sample inventory at the project site prior to shipment in sealed containers. All QC results were within expectations.

Disclosure of a technical nature contained in this release has been reviewed and approved by Kivalliq's President, Jeff Ward, P.Geo. Mr. Ward is the Qualified Person for the purposes of National Instrument 43-101.

About Kivalliq Energy Corporation

Kivalliq Energy Corporation is a uranium exploration and development company, and the first company in Canada to sign a comprehensive agreement with the Inuit of Nunavut to explore for uranium on Inuit Owned Lands in Nunavut.

With an NI 43-101 compliant Inferred Mineral Resource of 810,000 tonnes grading 0.79% U_3O_8 , totaling 14.15 million lbs U_3O_8 (17.5 lbs U_3O_8 /tonne) at a 0.2% U_3O_8 cut-off grade, the Lac Cinquante Deposit is Canada's highest grade uranium deposit outside of the Athabasca Basin. Kivalliq's flagship project, the 225,000 acre Angilak Property in Nunavut, hosts the high-grade Lac Cinquante deposit, along with nine additional high priority target areas. Since acquiring the Angilak Property in 2008, the Company has invested approximately \$30 million conducting systematic exploration, including ground and airborne geophysics, geological mapping, prospecting and approximately 48,000 meters of RC and diamond drilling.

Omitted Information

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

Executive Officer

Jeff Ward, President

Telephone: 604-646-4527.

DATED at Vancouver, BC, this the 27th day of October, 2011.